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MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 6th DAY OF JANUARY 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 6th day of January, 2009, at the place and date duly established for holding of such a meeting.

President Francee Covington called the meeting to order at 4:00 p.m.

Ms. Covington welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Ms. Covington asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Ms. Covington stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Francee Covington, President London Breed, Vice President Linda Cheu Leroy King Ramon E. Romero Darshan Singh Rick Swig GOVERNMENT DOCUMENTS DEPT

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Fred Blackwell, Executive Director, and staff members were also present.

- 2. <u>REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY.</u> No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:

REGULAR AGENDA

4(a) Election of Officers

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President Covington entertained the nominations for the office of President.

Commissioner Breed nominated current President Francee Covington as President of the Commission, who has over the past year and a half has done a remarkable job leading the Agency during times of difficulties, often times with controversy. Ms. Breed stated that Ms. Covington has always been open in terms of allowing members of the public to have their say, and dealt with matters appropriately, has provided Commissioners with time to do what was necessary in order to do what is in the best interest of the people of the City and County of San Francisco.

Commissioner King nominated Commissioner Ramon Romero, and stated that it is a time for change.

Commissioner Singh seconded the nomination of Commissioner Romero as President.

President Covington stated there was a motion, and a second for Mr. Romero.

General Counsel James Morales stated that the nominations do not require a second.

Commissioner Cheu stated that she seconded Commissioner Breed's motion to nominate Ms. Covington as President.

President Covington asked if there were any other nominations for President, of which there were none. President Covington closed nominations and asked if there was public comment.

Speakers: Ms. Eli Aramburo

President Covington asked for a roll call vote.

The Commission Secretary called the roll for Commissioner Covington for President:

Commissioner Breed - Aye
Commissioner Cheu - Aye
Commissioner Covington - Aye
Commissioner King - Nay
Commissioner Romero - Nay
Commissioner Singh - Nay
Commissioner Swig - Nay

The Commission Secretary stated that there were 3 Ayes, and 4 Nays.

The Commission Secretary called the roll for Commissioner Romero for President:

Commissioner Breed - Nay
Commissioner Cheu - Nay
Commissioner Covington
Commissioner King - Aye
Commissioner Romero - Aye
Commissioner Singh - Aye
Commissioner Swig - Aye

The Commission Secretary stated that there were 4 Ayes, and 3 Nays and announced that there was a new President, Commissioner Ramon Romero.

President Romero thanked everyone for their support and stated that he too joined in the comments praising Commissioner Covington for the great job as President, and hoped everyone appreciated her service.

President Romero called the next item of nominations for Vice President.

Commissioner Singh congratulated Mr. Romero and thanked Commissioner Covington for a wonderful job. Mr. Singh nominated Commissioner Swig for Vice President.

Commissioner King seconded Mr. Singh's nomination.

Commissioner Swig nominated Commissioner Breed for Vice President.

Commissioner Breed stated that with all due respect, she appreciates the nomination by Mr. Swig, but respectfully declined.

President Romero asked if there were any other nominations, of which there were none.

President Romero closed nominations and asked if there was public comment, of which there was none.

President Romero requested a roll call vote.

The Commission Secretary called the roll for Commissioner Swig for Vice President.

Commissioner Breed - Aye
Commissioner Cheu - Aye
Commissioner Covington - Aye
Commissioner King - Aye
Commissioner Romero - Aye
Commissioner Singh - Aye
Commissioner Swig - Aye

The Commissioner Secretary stated that the vote was unanimous with Commissioner Swig as the new Vice President.

President Romero thanked Commissioner Breed for her service as Vice President which was very much appreciated.

4(b) Presentation of Expiration and Transition of Bayview Hunters Point Project Area A and India Basin Industrial Park Project Area.

Presenter: Lisa Zyas-Chien, Agency Staff

Commissioner Swig asked if there was an opportunity to approach the private nonprofit sector about assisting in renovation so it is not a fully public sector opportunity, and stated that there are many foundations which are synonymous with children who might be there to fund, contribute, and speed the process. Mr. Swig asked if that was a possibility.

Director Blackwell stated there is a possibility but due to the economic climate at this time, it would be difficult to raise capital funds to revitalize the area but would probably be a good candidate for programmatic early childhood type philanthropic investment.

Commissioner Swig asked if a budget has been identified as to how much it would cost to renovate the park into a playground.

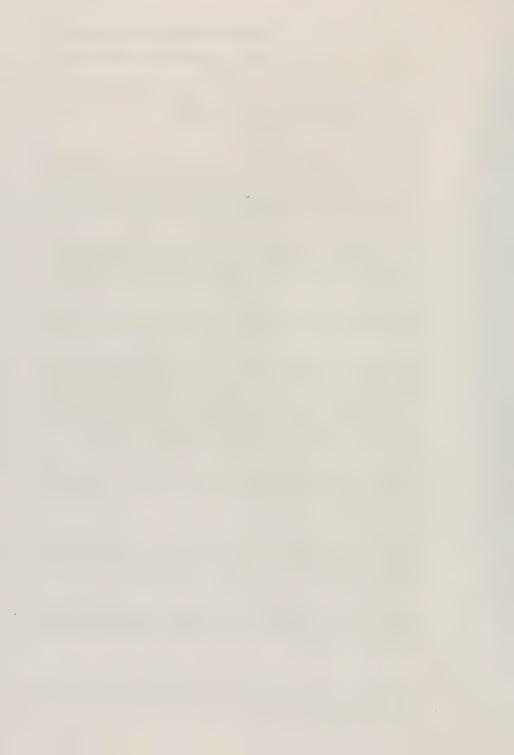
Ms. Zyas-Chien stated that DPW has been working with a consultant in costing out the total of the improvements that could be made but indicated that there was a sense that funds within the Project Area A budget which is under 1/2M dollars; may not be quite enough to do the whole work. Ms. Zyas-Chien stated that historically, in terms of the proposed playground structure, the community has included the potential collaboration of the Conservation Corp who recruit youth in the Bayview to help and train.

Director Blackwell stated that the park is a benefit primarily to the surrounding shoreline development owned and operated by AIMCO who have expressed an interest in investing in the upkeep, revitalization, and acquiring the park.

Commissioner Swig stated that he understands the weakness in the foundation area, but when it comes to children and playgrounds, and relatively insignificant costs, there might be an opportunity to approach a foundation that is focused on bricks and motor in the children's area.

The Commission Secretary stated that Agenda Item 4(c)-4(i) items related to Visitacion Valley will be opened for public comment but would not be considered for adoption until the February 3, 2009 Commission Meeting.

4(c) Resolution No. 1-2009, Adopting Environmental Findings and a Statement of Overriding Considerations pursuant to the California Environmental Quality Act for the Visitation Valley Redevelopment Program; Visitacion Valley Redevelopment Survey Area.



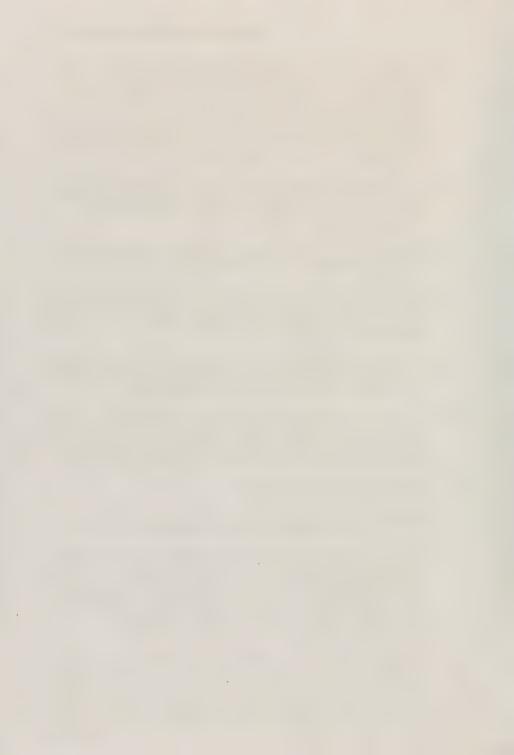
- 4(d) Resolution No. 2-2009, Approving the proposed Redevelopment Plan for the Visitacion Valley Redevelopment Project and making findings under the California Environmental Quality Act and pursuant to California Health and Safety Code Sections 33445 and 33679; recommending adoption of the proposed Redevelopment Plan by the Board of Supervisors; and submitting the Agency's recommendation, including the proposed Redevelopment Plan, to the Board of Supervisors; Visitacion Valley Redevelopment Survey Area.
- **4(e)** Resolution No. 3-2009, Approving the Report on the Redevelopment Plan for the Visitacion Valley Redevelopment Project and authorizing transmittal of the Report on the Redevelopment Plan to the Board of Supervisors; Visitacion Valley Redevelopment Survey Area.
- **4(f)** Resolution No. 4-2009, Approving the Visitacion Valley / Schlage Lock Design for Development; Visitacion Valley Redevelopment Survey Area.
- **4(g)** Resolution No. 5-2009, Approving the Rules for Property Owner Participation, Relocation Plan, and the Business Occupant Re-Entry Policy for the Visitacion Valley Redevelopment Project; Visitacion Valley Redevelopment Survey Area.
- **4(h)** Resolution No. 6-2009, Authorizing the Executive Director to enter into a Cooperation and Delegation Agreement with the San Francisco Planning Department; Visitacion Valley Redevelopment Survey Area.
- **4(i)** Resolution No. 7-2009, Commending the Visitacion Valley Citizens Advisory Committee ("CAC") and expressing the intention of the Agency to consult with the CAC on the Implementation of the Visitacion Valley Redevelopment Project; Visitacion Valley Redevelopment Survey Area.

Presenter: Tom Evans, Agency Staff

Speakers: Kevin Blackwell, Nick Wolff, Douglas Fong, Marlene Tran, Sylvia Johnson, Russell Morine, Mark Redpath, Cindy Choy

Commissioner Swig stated the presentation focused on Zone 1 and nothing on Zone 2, and in informing the public more broadly, referenced the possibility of using the streetscape or other plans that were previously considered by Planning, asked for more background on the opportunity for land owners in Zone 2; what are the opportunities, and what does the Agency hope to gain by working on the Leland Avenue corridor.

Mr. Evans stated that the streetscape was a Planning Department initiated redesign of the streets to look at beautification and enhanced amenities along the street which the Agency can assist in finishing the project once tax increment resources become available. Mr. Evans indicated that the commercial corridor program which was originally launched by Lysc and Asian Neighborhood Design, the Mayor's Office looked into a series of



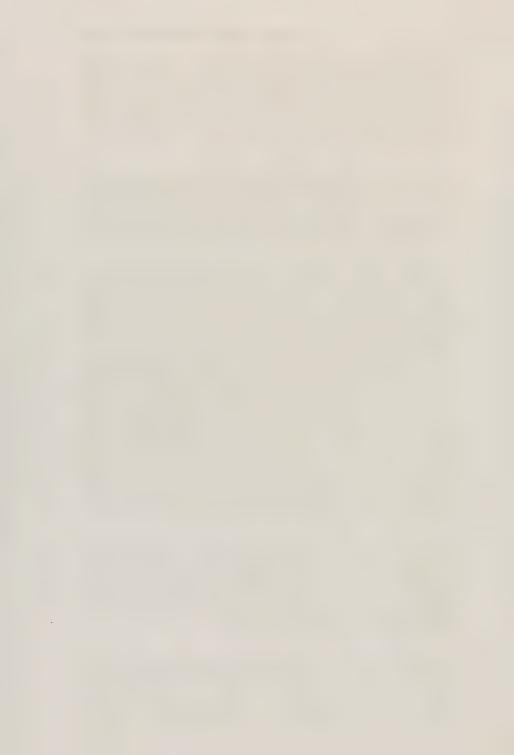
commercial retail improvement programs that could be initiated and then become part of SFShines program which is a façade improvement program throughout the city. Mr. Evans stated that the idea is to take the program already in existence with focused resources on Leland Avenue and Bayshore corridor using Sixth Street as a model. Mr. Evans indicated that they intend to continue to meet and discuss the program in more details with property owners and merchants.

Mr. Swig stated that the great foundation work that has been done so far will benefit everybody, and expressed his appreciation to all participants which will pay off in the planning. Mr. Swig referenced VV Schlage Lock Design for Development booklet, page 52, "parking, loading and bicycle use", which has to do with most of the plan, but noted that the grocery store is was not considered, and asked what the potential impact on density or parking.

Mr. Evans stated the location of the grocery store could be up to 60,000Sq.ft.; a larger grocery store would fit better on the southeastern side which would physically fit in the block they designed, and auto access would be better because the congestion impact starts happening north on Sunnydale. Page 53 of the Design for Development states the minimum and maximum parking requirements for commercial development which the retail development would be considered to fall into which would require at least two spaces for every thousand square feet above 10,000 square feet, with a maximum of up to four spaces per thousand square feet. Mr. Evans indicated that there was some level of uncertainty when the process began about the level of clean up needed for that area, it did carry a non-mixed use grocery story alternative, both in the EIR and discussed in the D for D where there would be a large retail component with surface and/or structure parking if housing was prohibited for something they find in the remediation. Mr. Evans indicated that they could see it as a mixed use development, such as the Safeway on King Street in Mission Bay where there is a grocery store on the ground floor, hide the parking as best you can, and build housing on top and use the air rights of that parking and grocery store facility to continue to infill development near the transit center.

Commissioner Cheu thanked Mr. Evans for a very thorough, clear, and comprehensive report. Ms. Cheu asked what current economic conditions may delay remediation of the site; address the translation issue expressed during public comment; what the current ethnic demographics are of the project area, and address the community center issue. Ms. Cheu stated that the translation issue is of great concern to her and stated that she has a lot of faith in staff that have gone to extensive efforts.

Mr. Evans stated that the economic conditions have put many development projects on hold, but the focus of the site for the next two to three years will be on cleaning, grading, and preparing the site for a vertical development. The money for the cleanup project has already been committed (\$20-\$30M) into an escrow account by the former and current land owner, the insurance policy is in order, the contractor is on board and has begun the process of a



demolition permit so they can begin the remediation work. Mr. Evans stated, in reference to the translation issue, Kai translates the agendas and material in Chinese, is available at nearly all CAC meetings, translators are available at the community workshops, headphones have been available for translation, and have had Chinese and Spanish only tables at the workshops. Mr. Evans stated, in reference to the community center, the boundary of the survey area was set by the Board of Supervisors in 2005, the Agency cannot extend the boundaries without an action at the Board of Supervisors. Mr. Evans stated that he believed the rational for the boundary as it is covers the non residential zoned areas of VV neighborhood and basically selected the commercial corridors of Leland Avenue and Bayshore, took all the area that was zoned NC, took the Schlage Lock site zoned M1, specifically not include any areas that were zoned residential because of sensitivity and concern for Redevelopment's presence in a residential neighborhood. The community center on Raymond Avenue is zoned public but sits within a block that is otherwise residentially zoned which Mr. Evans believes the rational for it not being included initially.

Commissioner Singh asked how many CAC members are on the committee and asked if any were in attendance.

Mr. Evans stated currently there are 14 active members, 4 had personal conflicts and were not able to attend the meeting. Mr. Evans indicated that the attendance at the Commission meeting does not represent their usual full CAC meetings due to people working and the meeting starting before work hours are done.

Commissioner Singh thanked the CAC members for attending the meeting.

Commissioner Covington stated that she too agreed with Commissioner Cheu's concern about translation at meetings. Ms. Covington asked in terms of outreach, if other media outlets have been notified when the meetings are scheduled or to send a summary so people can read the information in the press.

Mr. Evans indicated that no other media outlets have been notified and he would contact President Covington for the media outlet resource.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT AGENDA ITEMS 4(a) – 4(i) BE CONTINUED TO FEBRUARY 3, 2009.

(j) Resolution No. 8-2009, Authorizing a Personal Services Contract with Levy Design Partners, Inc. in an amount not to exceed \$100,000 to provide architectural and engineering services for the repair of Building 101 on the Hunters Point Shipyard, for a one-year term, with one, one-year option to extend: Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff



Speakers: None

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. **8-2009**, BE ADOPTED.

- 5. MATTERS NOT APPEARING ON AGENDA: None
- 6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS: None
- 7. REPORT OF THE PRESIDENT: None
- 8. REPORT OF THE EXECUTIVE DIRECTOR:
 - Director Blackwell invited Amy Brownell to give the Commission an update on the Hunters Point Shipyard dust monitoring.
- 9. COMMISSIONERS' QUESTIONS AND MATTERS: None
- 10. CLOSED SESSION: None
- 11. ADJOURNMENT:

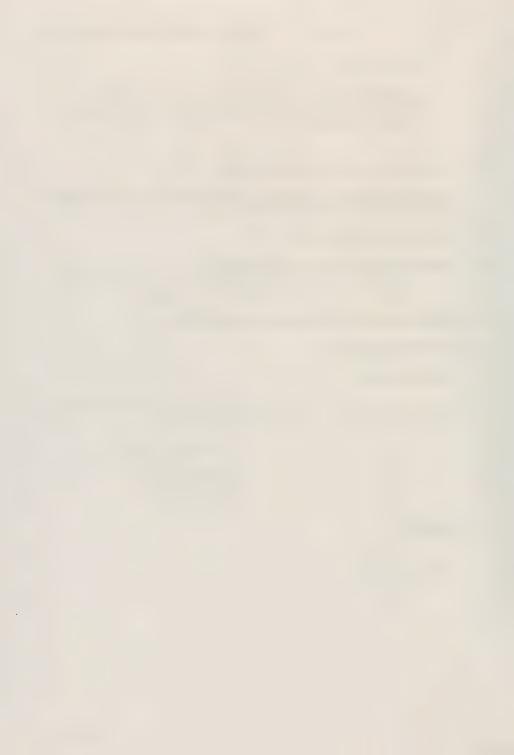
It was moved by Commissioner Romero, seconded by Commissioner Swig, and unanimously carried that the meeting be adjourned at 6:30 p.m.

Respectfully submitted,

Gina E. Solis/
Agency Secretary

ADOPTED:

FEBRUARY 3, 2009



MINUTES OF A SPECIAL MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 13th DAY OF JANUARY, 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a Special meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 13th day of January, 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon E. Romero, President Rick Swig, Vice President Linda A. Cheu Francee Covington Leroy King Darshan Singh

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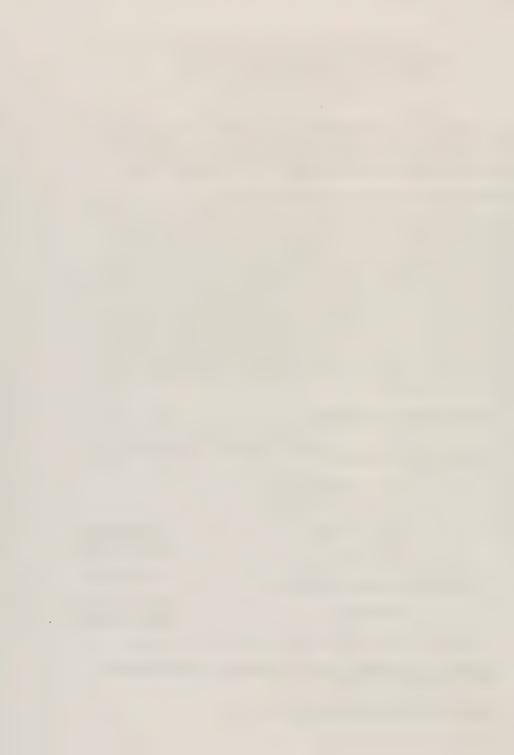
And the following Commissioners were absent:

London Breed

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Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None



4. MATTERS OF NEW BUSINESS:

REGULAR AGENDA

Agenda Items 4(a) and 4(b) were presented together, but acted on separately

a) Resolution No. 9-2009, Authorizing a First Amendment to the Amended and Restated Loan Agreement with Agonafer Shiferaw, a sole proprietor, doing business as Rasselas Jazz Club, to increase the Agency Tenant Improvement Loan by \$251,000 to Reimburse the Owner for Incurred Tenant Improvement Cost, for a Total Aggregate Amount Not to Exceed \$1,256,000 and to Defer the Loan Repayment for Two Years, All Related to the Costs Associated with Establishing a Jazz Club/Restaurant at 1534-40 Fillmore Street; Western Addition.

Presenter: Ricky Tijani, Agency Staff, Agonafer Shiferaw, Proprietor, Rasselas Jazz Club, Netsanet Alemayehu, Proprietor, Sheba Lounge

Speakers: Charles Spencer, Wil Ussery, Monetta White, Randall Evans, Kenneth Monteiro, Perry Lang, Carl Williams, Rev. Amos Brown, Toye Moses, Arnold Townsend, Charlie Walker, Ace Washington

Commissioner King stated that he fought for 18 years to get a program out in the Fillmore District to get it revitalized and stated that he too was a victim, he was displaced by Redevelopment. Mr. King made a motion to move Agenda Items 4(a) and 4(b).

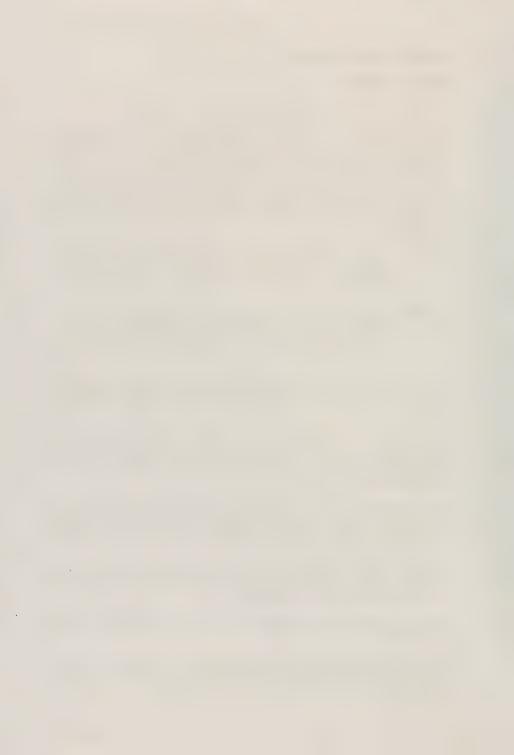
Commissioner Swig seconded the motion but with an amendment. Mr. Swig stated that the Agency has a moral responsibility to continue the work in the Western Addition. Mr. Swig asked if Rasselas was to sell, is there an automatic transference of the agreement to a new owner.

Mr. Tijani stated that the existing agreement has provisions that any conveyance of the agency loan is subject to the Agency's consent; it would have to pay the outstanding loan balance or transfer to another borrower that would meet the conditions that Mr. Shiferaw met on the loan agreement. It is transferrable with conditions.

Mr. Swig stated that he wanted to be clear that there was refinancing to get better terms and to get another \$300,000 for the benefit of the owner. Mr. Swig asked if there was any documentation as to where the \$300,000 went.

Mr. Tijani stated there is documentation and is noted in the material that was sent to the Commissioners.

Mr. Swig noted that Mr. Maduli-Williams was not present as he has been the point person in discussions about hiring a restaurant consultant, and asked if the restaurant consultant has been hired since they have been discussing hiring a consultant for the past two months.



Mr. Blackwell stated that discussions have taken place with a restaurant and marketing consultant and have been going through the process of getting various bids, have not hired them as yet but are very close to working through the logistics. Mr. Blackwell stated if they were not able to execute an agreement at the staff level, it would be before the Commission at the next Commission meeting.

Commissioner Swig stated that he was not satisfied with the summary numbers that was provided in the staff report and asked Mr. Tijani to provide him with backup information from both restaurants as to how the summary revenues, expenses, and net profit or loss was arrived at. Mr. Swig stated that Rasselas and Sheba Lounge presented a 2008 and 2009 year to date forecast and there were significant variances that were incongruous which, in his opinion, require a professional review by a restaurant consultant. Mr. Swig stated, in regard to Rasalles, the 2009 revenues are scheduled to almost double, where the expenses are not forecast to go quite as far. Mr. Swig indicated that he would like to pass the items but would like to make an amendment in the Rassales resolution - paragraph 10, bullet point 5, and in the Sheba Lounge Resolution - paragraph 12, bullet point 4; change the language so there is (1) no disbursement until the restaurant consultant is hired; (2) at the time the restaurant consultant has completed their review, that review be shared with the Executive Director, and (3) based on those findings, at the discretion of the Executive Director, distribute appropriate funds.

General Counsel Morales stated that it is his understanding that Mr. Swig's recommendation is that the restaurant consultant recommends whether or not to disperse the funds.

Commissioner Swig clarified that he would like to know that it is done responsibly, and as a result of what is being done in the first place is to hire a restaurant consultant. If the restaurant consultant is hired post distribution of the funds, and the restaurant consultant finds that the initial funds were spent irresponsibly or inappropriately, then the money is gone. Mr. Swig stated that he would like to guard against that, have a professional come in, review the two restaurants, then disperse the funds. Mr. Swig stated that he was moving for the approval of the funds with that caveat.

General Counsel Morales clarified that Mr. Swig was amending the motion made by Mr. King.

Commissioner Swig stated that he was amending Mr. King's motion with his permission.

President Romero asked Mr. King if he accepted Mr. Swig's amendment to his motion.

Commissioner King stated that he did not agree with Mr. Swig's motion.

President Romero stated there was an amendment to the motion without a second.

Commissioner Cheu stated that it was clear to her that the restaurants needed their support and the transformation of a district takes time, in the interim, there is a potential of losing businesses which would be worse. Ms. Cheu seconded Mr. King's motion.

Commissioner Singh stated his support of Mr. King's motion.



Director Blackwell stated that none of the disbursements would take place until the Board of Supervisors approves the budget amendment which is part of freeing up the resources to make this happen. Mr. Blackwell indicated that the budget amendment would take two readings at the Board of Supervisors level to engage the restaurant consultant prior to disbursal of funds.

President Romero clarified that this would give the restaurant consultant enough time to review what Mr. Swig was requesting.

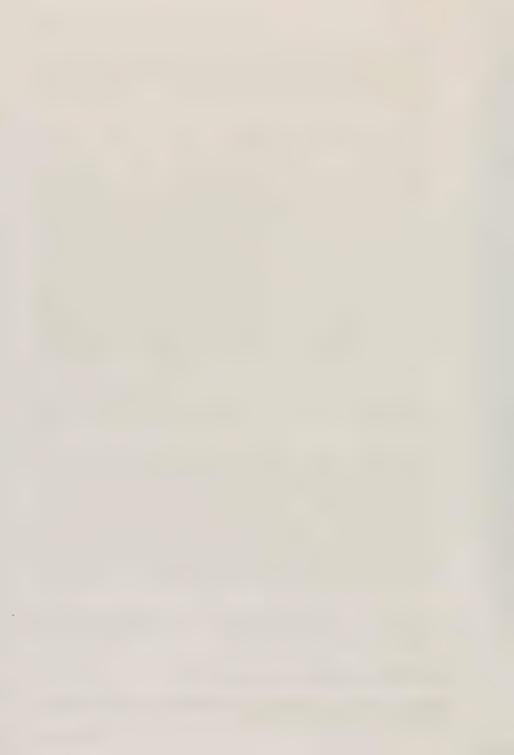
Commissioner Covington stated that both businesses have made determined efforts into making a go for what is a tough business and pointed out that Mr. Shiferaw has invested \$1.8 of his own money to make sure that he has the kind of business that he envisioned. Ms. Covington stated that when she visits either establishment the owners are always present, as with 1300 Fillmore, and Yoshi's. Ms. Covington stated it was incumbent upon the Commission to make sure that the entities that the Agency has helped give birth to continue to thrive and grow and that is will take some time for them to become firmly established. Ms. Covington stated, in terms of the restaurant consultant, she agreed with Ms. Cheu that the restaurants would not come before the Commission if they did not need the money sooner rather than later. Ms. Covington suggested that there may be some emergency funding that can be taken care of quickly but the bulk of the money can be held until both the restaurant and marketing consultants are on board. Ms. Covington stated that the businesses belong to the people who started the businesses, they do not belong to the restaurant consultant, no business consultant comes in and tells you exactly what you're supposed to do it and how to do it and have veto power, which is not what she was referring to. Ms. Covington stated she supported Mr. King's motion.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED, THAT RESOLUTION 9-2009, BE ADOPTED.

b) Resolution No. 10-2009, Authorizing a First Amendment to the Amended and Restated Tenant Improvement Loan Agreement with Sheba Lounge, LLC, a California limited liability company, to consolidate its tenant improvement, façade improvement, and business assistance loans into one combined loan in the amount of \$295,000; to increase the consolidated loan amount by \$90,000 for additional tenant improvements, for a total aggregate amount not to exceed \$385,000; to defer the repayment of the consolidated loan for two years; to nullify the loan documents related to two of the three consolidated loans; and to forgive \$95,000 of the consolidated loan upon fulfillment of certain terms and conditions; all associated with Sheba Lounge, a restaurant at 1419 Fillmore Street: Western Addition.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 10-2009, BE ADOPTED.

- 5. MATTERS NOT APPEARING ON AGENDA: None
- 6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS



activities that were already contemplated and put into the works prior to the area expiring.

- Commissioner Swig asked when would the repayment and responsiveness
 of those indebted to the Redevelopment to pay back their obligations be
 revisited.
 - O Director Blackwell stated that the Agency will continue to be property owners in the Western Addition, loans that have been issued will continue to be enforced, disposition and development agreements, Owner Participation Agreements that have been executed will continue to be monitored, and comply with the obligations as well. Mr. Blackwell stated that there would be periodic reports before the Commission.
- Commissioner Swig suggested that this subject be discussed when the Commissioners hold their retreat and recommends that dates be calendared on a six month basis for reporting of these matters so the Agency and the public knows that obligations are being met.
- Commissioner Covington reiterated that her comments this evening were in no way related to the businesses that were discussed this evening.
- President Romero stated that the regularly scheduled Commission meeting of Tuesday, January 20th has been cancelled; the next regularly scheduled Commission meeting will be held on Tuesday, February 3rd.
- 10. CLOSED SESSION: (a) Pursuant to Section 54957 (b) (1) of the Government Code regarding personnel matters: evaluation of performance of the Commission Secretary; (b) Pursuant to Section 54597 (b) (1) of the Government Code regarding personnel matters: evaluation of performance of the Executive Director.

11. ADJOURNMENT:

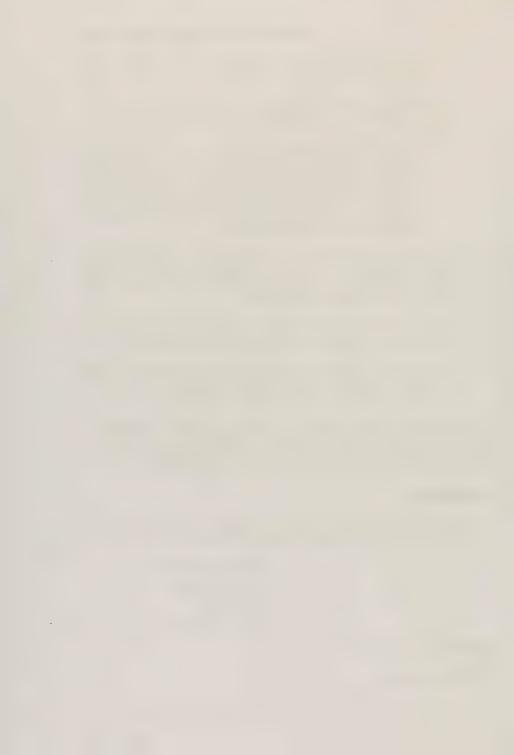
It was moved by Commissioner Covington, seconded by Commissioner Cheu, and unanimously carried that the meeting be adjourned at 6:00 p.m.

Respectfully submitted,

/ Gina E. Solis/
Agency Secretary

ADOPTED:

FEBRUARY 3, 2009



MINUTES OF A SPECIAL MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 3rd DAY OF FEBRUARY, 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a Special meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 3RD day of February, 2009, at the place and date duly established for holding of such a meeting.

Acting President Rick Swig called the meeting to order at 4:05 p.m.

Mr. Swig welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Swig asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Swig stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Rick Swig, Acting President Francee Covington Leroy King Darshan Singh

And the following Commissioners were absent:

GOVERNMENT DOCUMENTS DEPT

MAR - 9 2009

Ramon E. Romero London Breed Linda A. Cheu

SAN FRANCISCO PUBLIC LIBRARY

Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- **MATTERS OF UNFINISHED BUSINESS.** Continued from the January 6, 2009 Commission Meeting, Visitacion Valley Items 3(a) 3(g)



Acting President Swig stated that there was a request that Agenda Items 3(a) - 3(g) be heard at 5:30 for the benefit of the residents of Visitation Valley. President Swig indicated that he would need a motion to move the item to 5:30pm.

Commissioner Singh put forth a motion to continue Items 3(a) - 3(g) at a time set of 5:30pm.

Commissioner King seconded Mr. Singh's motion.

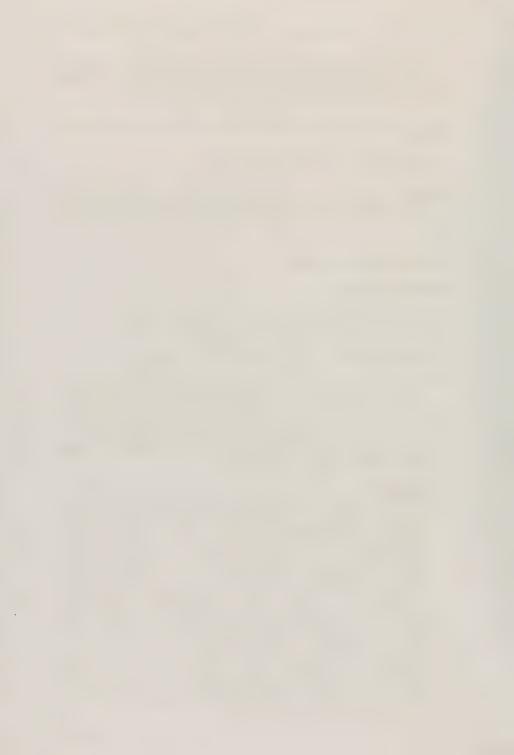
MOTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT) THAT AGENGA ITEMS 3(a) – 3(g) BE HEARD AT 5:30 P.M.

4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA

- (a) Approval of Minutes: Special Meeting of December 9, 2009
- **(b)** Approval of Minutes: Meeting of January 6, 2009
- (c) Approval of Minutes: Special Meeting of January 13, 2009
- (d) Resolution No. 11-2009, Authorizing a Second Amendment to the Personal Services Contract with MJM Management Group, a California Corporation (formerly known as KTB Management Group) and the property manager of the Mission Bay Open Space System, to include Open Space Parcel P18 and increase the contract's management fee by \$2,100 for a total aggregate amount for the management fee not to exceed \$342,310; Mission Bay North and South Redevelopment Project Areas.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT CONSENT AGENDA ITEM 4(a), APPROVAL OF MINUTES: SPECIAL MEETING OF DECEMBER 9, 2009, (MR. SINGH, MR. KING, AND MR. ROMERO ABSENT), AGENDA ITEM 4(b) APPROVAL OF MINUTES: REGULAR MEETING OF JANUARY 6, 2009, AGENGA ITEM 4(c) APPROVAL OF MINUTES: SPECIAL MEETING OF JANUARY 13, 2009 (MS. BREED ABSENT), AND, AGENDA ITEM 4(d) RESOLUTION NO. 11-2009, AUTHORIZING A SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH MJM MANAGEMENT GROUP, A CALIFORNIA CORPORATION (FORMERLY KNOWN AS KTB MANAGEMENT GROUP) AND THE PROPERTY MANAGER OF THE MISSION BAY OPEN SPACE SYSTEM, TO INCLUDE OPEN SPACE PARCEL P18 AND INCREASE THE CONTRACT'S MANAGEMENT FEE BY \$2,100 FOR A TOTAL AGGREGATE AMOUNT FOR THE MANAGEMENT FEE



NOT TO EXCEED \$342,310; MISSION BAY NORTH AND SOUTH REDEVELOPMENT PROJECT AREAS. BE ADOPTED.

REGULAR AGENDA

- (e) Resolution No. 12-2009, Authorizing a Letter Agreement with the Mayor's Office of Community Investment for an inter-agency Informational Management System, in an amount not to exceed \$525,000 for a term of three years to be paid to the Mayor's Office of Community Investment.
- (f) Resolution No. 13-2009, Authorizing a Personal Services Contract with the Board of Trustees of the Glide Foundation, a California nonprofit public benefit corporation, through its Tekmeca Opensource Project to provide consulting and software development services for an inter-agency Information Management System in an amount not to exceed \$525,000, for a term of three years, from February 15, 2009 to February 14, 2012.

Director Blackwell recommended Items 4(e) and 4(f) be continued to the next meeting.

Commissioner Singh put forth a motion to continue Items 4(e) and 4(f). Commissioner King seconded Mr. Singh's motion.

Acting President Swig asked if there was any public comment, of which there were none.

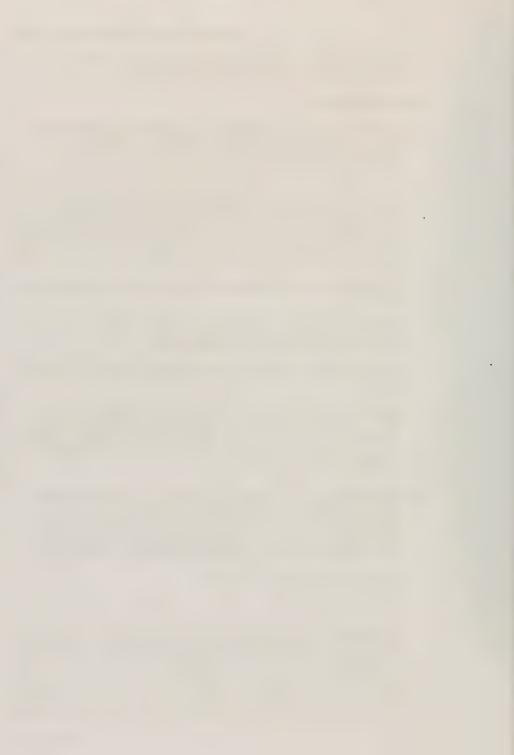
MOTION: MR. SINGH PUT FORTH A MOTION, SECONDED BY MR. KING, AND VOTED UNANIMOUSLY (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT) TO CONTINUE ITEMS 4(e) AND 4(f) TO THE NEXT REGULARLY SCHEDULED COMMISSION MEETING.

(g) Resolution No. 14-2009, Authorizing a Legal Services Contract with Kutak Rock LLP to provide specialized legal services primarily related to conveyance and early transfer of the remaining Navy owned parcels at the Hunters Point Shipyard for an amount not to exceed \$475,000; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: None

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT) THAT RESOLUTION NO. 14-2009, AUTHORIZING A LEGAL SERVICES CONTRACT WITH KUTAK ROCK LLP TO PROVIDE SPECIALIZED LEGAL SERVICES PRIMARILY RELATED TO CONVEYANCE AND EARLY TRANSFER OF THE REMAINING NAVY OWNED PARCELS AT THE HUNTERS



POINT SHIPYARD FOR AN AMOUNT NOT TO EXCEED \$475,000; BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS, BE ADOPTED.

(h) Resolution No. 15–2009, Adoption of a Five-Year Implementation Plan for the period 2008-2012 for the Hunters Point Shipyard Redevelopment Project Area; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: None

Commissioner Covington indicated that Mr. Kaslofksy stated that \$41M has been spent to date, with a breakdown of construction hours totaling 88,000+ construction hours and 77% of the work hours are minority workers. Ms. Covington inquired as to what the job classification were and how much money the minority workers received.

Mr. Kaslofsky stated that the jobs were construction related and may have also included personal services. Mr. Kaslofsky stated that he would report back with more information.

Ms. Covington stated that the figure for minority contractors does not tell her how the money filters down to individual workers, how much people who live and work in that area of the City are actually benefiting, and does not get a sense what those dollars are.

Ms. Covington stated that the breakdown on housing for Phases 1 & 2 did not indicate whether they are rental or for purchase.

Mr. Kaslofsky stated that all Lennar housing is for sale, no rental; in October 2006 the Second Amendment to the DDA allowed Lennar to do for sale only housing on the Shipyard since the Agency was planning on building over 218 units

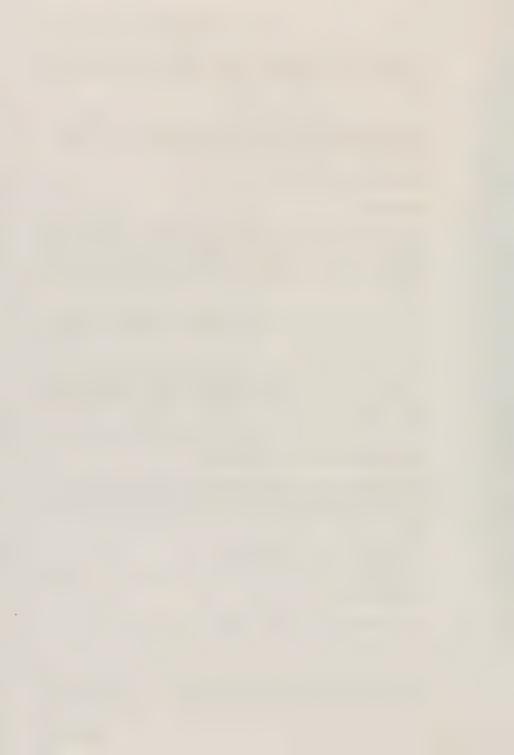
Ms. Covington asked how large Hillpoint Park was.

Mr. Kaslofsky stated that he did not have the precise acreage and would provide the information at a later date.

Ms. Covington asked if the park was suitable for soccer and volleyball.

Mr. Kaslofsky stated that it would not be suitable due to a slight slope.

Ms. Covington requested a breakdown of the proposed 10,000 permanent and construction jobs, particularly on the permanent side. Ms. Covington expressed her concern that the agency do as much as it can to prepare people



for those permanent jobs and requested that whenever there is a presentation on Hunters Point, she would like to see a breakdown of what those permanent jobs are to ensure that the Agency is doing their part in preparing people for those career jobs.

Mr. Maduli-Williams stated that there is no breakdown in terms of a job creation component as of yet, no projection as to how many jobs will be permanent or temporary. In terms of providing maximum opportunities to local residents, Staff has been working with the Mayor's Office, local CBO's, and the community to think through effective strategies in terms of the workforce development component which is a significant challenge in terms of putting the infrastructure in place to ensure that people have the ability to take advantage of the opportunities that will be presented. Mr. Maduli-Williams stated that they are currently discussing a work plan which will include new developments, projecting what the opportunities are, and how to get people there in terms of taking advantage of the near term opportunities. He projected that there will be a gap in terms of the amount of work between now and when the shipyard development starts. Mr. Maduli-Williams stated that staff will, at a later date, discuss strategies for funding of CBO's and look at how to change the way they are funded to make them more performance based to ensure the outcome in terms of people trained effectively to be able to work for contractors on the shipyard.

Ms. Covington stated to Mr. Maduli-Williams that he referenced this as being a significant challenge in terms of preparing people for permanent jobs that would be generated, and stated that she wants to make sure that the Agency is doing everything to meet that challenge. She expressed that this is very important to her; the amount of money that is going into the community, as much of it as possible should stay in the community so that people are shopping locally, supporting the schools, and businesses in the neighborhood. Ms. Covington stated that she looks forward to hearing more about.

Ms. Covington stated that the handout refers to 10,000 permanent and construction jobs, and asked how that number was generated.

Mr. Maduli-Williams stated that the number was generated by the developer, and staff is in the process of developing a metrics to be able to project the number and types of jobs on a more detailed level, and match it to the workforce development infrastructure to match the training to the opportunities.

Ms. Covington asked that staff look at the figure and make sure it is a real figure.

Mr. Kaslofsky stated that the types of jobs that people need to be trained for at the shipyard are open space maintenance, retail, green tech, research and development, property management, and the stadium.



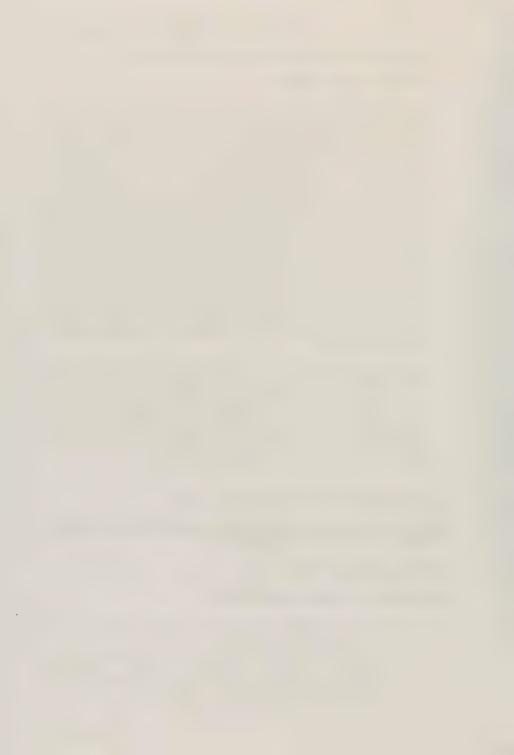
Ms. Covington put forth a motion to move Agenda Item 4(h).

Mr. Singh seconded the motion.

Mr. Swig stated that he was excited to hear that there will be a ground breaking planned, and structures will go vertical this year. He also echoed Commissioner Covington's concern in reference to the milestones slide, that it is critically important that every time that a such a slide is presented that there is a community benefit metric associated with it, such as; if buildings are being built, how many jobs will include people from the community, how many dollars is that putting into the community, and expressed that it should be all about community benefits because that is what the Agency's job is, not only to build things but also to build community benefits. Mr. Swig suggested that future presentations show community benefits associated with every step of the project, and important to underscore to the community that not only is there significant benefits with just vertical housing, but significant economic benefits for the entire community related to every phase of the project. Mr. Swig requested that Mr. Kaslofsky be diligent in future presentations that he be more specific in terms of job creation and job training, and back up every figure that is presented in terms of community benefit which will make it more transparent and beneficial to the community and their understanding of the value of the project.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT), THAT RESOLUTION NO. 15-2009, ADOPTION OF A FIVE-YEAR IMPLEMENTATION PLAN FOR THE PERIOD 2008-2012 FOR THE HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 5. MATTERS NOT APPEARING ON AGENDA: None
- 6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS: None
- 7. REPORT OF THE PRESIDENT: None
- 8. REPORT OF THE EXECUTIVE DIRECTOR:
 - In reference to the Budget Amendment in the Western Addition A-2 with the Muni Sub-Station and the Restaurants:
 - Scheduled to be before the Budget and Finance Committee on Wed.
 February 11th, then before the full Board on Feb. 24th, if everything goes well, will be able to move on the items approved in December and January towards the support of the restaurants.
 - Report on the restaurant and marketing consultants:



- Now in contract with the restaurant consultant to help the restaurants increase their revenues strategies and for reducing costs, therefore, improving the bottom lines for each of the restaurants, and also working closely with the restaurants and the agency to make sure that the objectives that are put forward are met before payment is made to the restaurants.
- With regard to the marketing consultant with Ms. Ave Montehue's untimely passing, staff has been meeting with her team as well as the restaurants, are modifying the scope of work but moving forward to provide direct marketing and communication assistance, not only assistance to the restaurants from a marketing point of view but an overall marketing plan and set of strategies for the corridor. Staff is working with the Mayor's Office of Economic and Workforce Development, future items will be brought before the Commission that pertain to a broader marketing campaign and strategy for the corridor.

• Report on the State Budget:

- California Redevelopment Association has filed a lawsuit on the \$350M statewide hit as part of the balancing of the State budget on the grounds that taking those funds are unconstitutional from the State Constitution perspective. The lawsuit will be heard in March and will know the outcome before the actual payments are due to the State.
 - Mr. Swig asked if there were any financial transactions that the State has with the Agency that would result in an IOU in the current conditions.
 - Director Blackwell stated there would not be any direct implications for the Agency; are in the process of looking at potential implications at a project level.
 - Mr. Swig asked if reserves have been identified to pick up the shortfall that the State may create through the IOU.
 - Director Blackwell stated an additional funding stream the Agency relies heavily on is the bond market, taxable and tax exempt bonds. With the current economy, the market has changed dramatically in terms of how much you can get and what the yield is on those bonds, the Agency's ability to make up the gap is severely limited by that factor. Director Blackwell stated there are not enough reserves to protect every project that is in the pipeline.
 - Mr. Swig requested that Director Blackwell report back every other meeting on the status of the lawsuit.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

 Commissioner Covington echoed Mr. Swig's sentiments about keeping the Commission informed and requested that the Commission be informed as soon as the information is available to the Executive Director, that he shares



that information. Commissioner Covington asked for an update on the midyear adjustments to the City's budget.

- Director Blackwell stated that the Agency is not included in the instructions that have been given to the City Departments to cut 15%-20%.
- Commissioner Covington stated that there was a matter that she had to bring up and felt she would be remiss if she didn't, relating to a conduct in the last Commission meeting. Ms. Covington stated that there was some language related to an extensively used derogatory term for African Americans that was used by a member of the public that she found extremely offensive, and the presiding President did not say anything. Ms. Covington stated, anyone who serves on the Commission, no matter what their ethnicity is, there is a derogatory term for their group and she would not expect at any time for the President of the Commission to tolerate that kind of language, especially when there is a high percentage of Agency employees who are African American, the radio listeners are African American, and stated for there to have been no interjection is unconscionable. Ms. Covington stated that this is a public hearing with high level discussion of matters that relate to the citizens of the City and County of San Francisco, and language that is used on street corners should not be permitted.
 - Mr. Swig thanked Ms. Covington for bringing the matter to the attention of the Commission and stated that he too felt the same, and would relay the message to the President.

10. CLOSED SESSION:

Report on actions taken at previous Closed Session meeting, if any. No Reportable Action.

Acting President Swig stated that it was 4:55 p.m. and there would be a recess as approved by the Commission earlier until 5:30 p.m. to accommodate the residents of Visitacion Valley so they would have the opportunity to speak on the items at that time.

RECESS

Acting President Swig stated that it was now 5:30 p.m. and asked the Secretary to continue with the Visitacion Valley Items 3(a) - 3(g).

- (a) Resolution No. 1-2009, Adopting Environmental Findings and a Statement of Overriding Considerations pursuant to the California Environmental Quality Act for the Visitacion Valley Redevelopment Program; Visitacion Valley Redevelopment Survey Area.
- (b) Resolution No. 2-2009, Approving the proposed Redevelopment Plan for the Visitacion Valley Redevelopment Project Area and making findings under the California Environmental Quality Act and pursuant to California Health and Safety Code Sections 33445 and 33679; recommending adoption of the



proposed Redevelopment Plan by the Board of Supervisors; and submitting the Agency's recommendation, including the proposed Redevelopment Plan, to the Board of Supervisors; Visitacion Valley Redevelopment Survey Area.

- (c) Resolution No. 3-2009, Approving the Report on the Redevelopment Plan for the Visitacion Valley Redevelopment Project and authorizing transmittal of the Report on the Redevelopment Plan to the Board of Supervisors; Visitacion Valley Redevelopment Survey Area.
- (d) Resolution No. 4-2009, Approving the Visitacion Valley Schlage Lock Design for Development for the Visitacion Valley Redevelopment Project; Visitacion Valley Redevelopment Survey Area.
- (e) Resolution No. 5-2009, Conditionally approving the Rules for Property Owner Participation, Relocation Plan and the Business Occupant Re-Entry Policy for the Visitacion Valley Redevelopment Project; Visitacion Valley Redevelopment Survey Area.
- (f) Resolution No. 6-2009, Approving the Proposed Visitacion Valley Cooperation and Delegation Agreement for the Visitacion Valley Redevelopment Project Area; and Delegating to the Executive Director the Authority to Negotiate and Execute, at the Request of the Planning Department, a Memorandum of Understanding Regarding Certain Pre-Development Activities related to the Demolition Permit for the Schlage Lock Site; Visitacion Valley Redevelopment Survey Area.
- (g) Resolution No. 7-2009, Commending the Visitacion Valley Citizens Advisory Committee ("CAC") and expressing the intention of the Agency to consult with the CAC on the Implementation of the Visitacion Valley Redevelopment Plan; Visitacion Valley Redevelopment Survey Area.

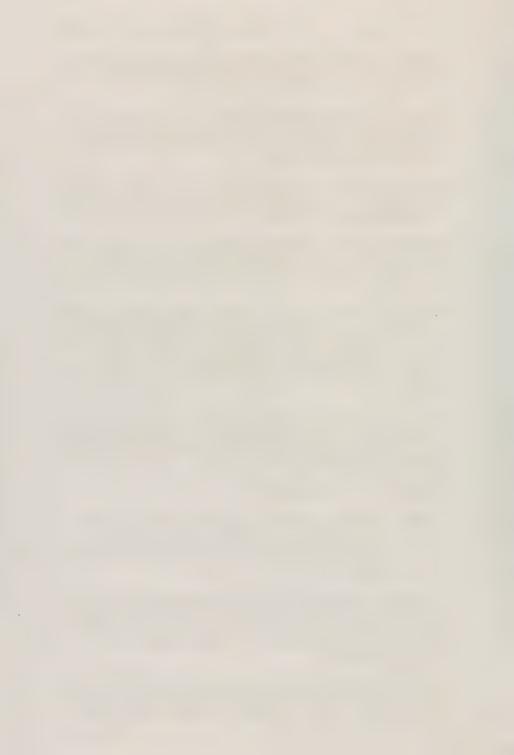
Presenter: Tom Evans, Agency Staff

Speakers: Mindy Kener, Larry Jones, Gail Reid, Kevin Blackwell, Terry
Anders, Frank Martin, Kinwood H. DeVore, Chris Barnett,
Michael Theriault, Russel Morine, Eli Crawford, Drew Jenkins,
Manuel Flores, Marlene Tran, Tim Colen, Craig Sullivan, Lesley
Burch

Durch

Commissioner Covington stated that she was heartened to hear that staff was making progress in communicating with all the citizens in the southeastern sector which is very important to her. Ms. Covington asked if staff was also able to provide translation services at the community meetings in either Cantonese or Mandarin.

Mr. Evans confirmed that the translator provided both and stated that staff have been in discussions about enhancing the translation services that can be provided in all project areas and programs, both internally and externally.



Commissioner Covington asked Mr. Rodriguez, Director of City Build, if a GED is required in order to participate in the training program.

Mr. Rodriguez stated that the requirements to enter into the City Build pre-apprenticeship training academy is a 12 week program that the City sponsors for San Francisco residents, the minimum qualifications are 18 years or over; have a valid California drivers license; be able to pass a drug screen; and, have a high school diploma or GED. Mr. Rodriguez stated that these are the requirements that most apprenticeship programs require as well as contractors. City Build tries to prepare San Francisco residents, primarily individuals who are economically disadvantaged to try to get them the skills that they need. City Build contracts with community based agencies and work with other city agencies and partners to try to do soft skill development, and work with individuals to provide them with opportunities to get a GED diploma or complete a high school diploma.

Ms. Covington asked for more information on the soft skills referenced earlier.

Mr. Rodriguez stated the soft skills City Build works with are essentially what they refer to as job readiness training; as simple as working with individuals on alarm clock skills; having individuals understand responsibilities to show up daily; to look at the construction career where they know that there will be opportunities where they are working full time; financial literacy; anger management; soft skills that are necessary in order to be job ready and able to accept an opportunity to go to work.

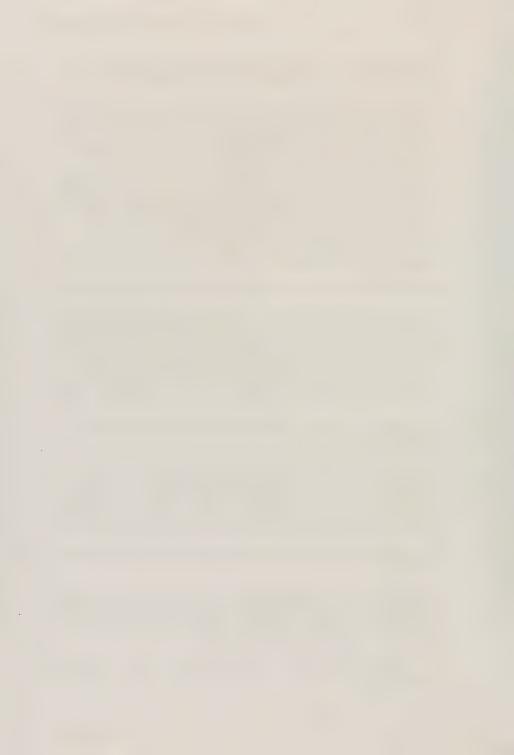
Ms. Covington asked if City Build accepts ex-offenders and if there are any stipulations to their involvement.

Mr. Rodriguez stated that they do accept ex-offenders, about 40% of their academy graduates have some criminal justice activity where they've been interactive with the agencies, and the only requirements is that they work with parole officers and others to make sure court dates or meetings are done in off class time hours so their students are not disadvantaged by having to leave.

Ms. Covington asked for clarification if the training classes were being held in San Ramon.

Mr. Rodriguez stated the training, through the laborers Local 67 in San Ramon, is for abatement work which is removing asbestos, a dangerous activity which requires certain certification. City Build sponsored five individuals to go through the five day week long residency training.

Ms. Covington asked how many from the 94134 area code tried to be in the first group for training.



Mr. Rodriguez stated that the first source requirement is that they give CityBuild the first opportunity to fill the position with a qualified San Francisco resident, in this case they were given a priority to 94134, the contractor asks for specific requirements together with the community partners and Local 67 and look at who they have on their out of work list; work with the community as to who may be eligible for that type of work. Mr. Rodriguez stated that the reason CityBuild sponsored five people was to increase the pool of eligible residents. Mr. Rodriguez indicated that abatement work is a short term opportunity for an employee, and a tough job.

Ms. Covington stated that it is extremely important to her that people be trained and ready for jobs, she expressed her appreciation of Mr. Rodriguez's efforts and that of CityBuild, and of also cultivating a relationship with Local 67. Ms. Covington stated that she would be bird dogging this issue to see how much money stays in the community, and stated that these projects are the result of the Agencies efforts and wants the residents to be able to benefit, particularly the people who live across the street from the places that are being built. Ms. Covington asked how many women are there out of the trainees.

Mr. Rodriguez stated there are four presently, they are making it a requirement in their contract that a minimum of 25% of their enrollees in their program must be women and are making concerted efforts to increase the number of women in the trades.

Ms. Covington asked if there are any other resources for women since some women are single moms.

Mr. Rodriguez stated that the CityBuild academy is their pre-apprenticeship program, a twelve week program, individual students who participate in that program are offered a host of supportive services working with their community based agencies to allow their students to be able to focus on what the training that is being offered to them. Their supportive services range from transportation, meal allowance, and childcare.

Ms. Covington asked about CityBuild's outreach to the 94134 community.

Mr. Rodriguez stated that their lead partner is Visitacion Valley Community Development Corporation who works on the street level recruiting outreach and helping individuals with soft skills and support services. They primarily work with VCDC as their main vehicle for CityBuild in the Visitacion Valley neighborhood. Mr. Rodriguez stated that the CityBuild philosophy is that it is not their interest nor their goal to help an individual get one job at one location, it is to help them gain a successful career in construction in working with their partners in labor, understanding what apprenticeship is, working to provide them resources; the CityBuild model is "we may place you once on one site, but once that opportunity concluded for you, we'll continue to find other opportunities throughout the City", so that they develop other skills that are marketable. Mr. Rodriguez stated that it is important for residents in Visitacion



Valley not only to work in their neighborhood and help build it, but take advantage of what a career in construction means, and that is being able to travel to other parts of San Francisco and contribute to building up San Francisco.

Ms. Covington asked what other organizations within city government are concentrating on non-construction jobs.

Mr. Rodriguez stated through the office of Economic and Workforce Development in the workforce division they have: (1) CityBuild looking at construction; (2) One Stop career centers located throughout San Francisco which is a shared responsibility between the Human Services Agency and the Workforce Division which provides a host of services; (3) looking at the right mix of agencies that can meet the needs of San Francisco residents that are unique to particular areas and neighborhoods.

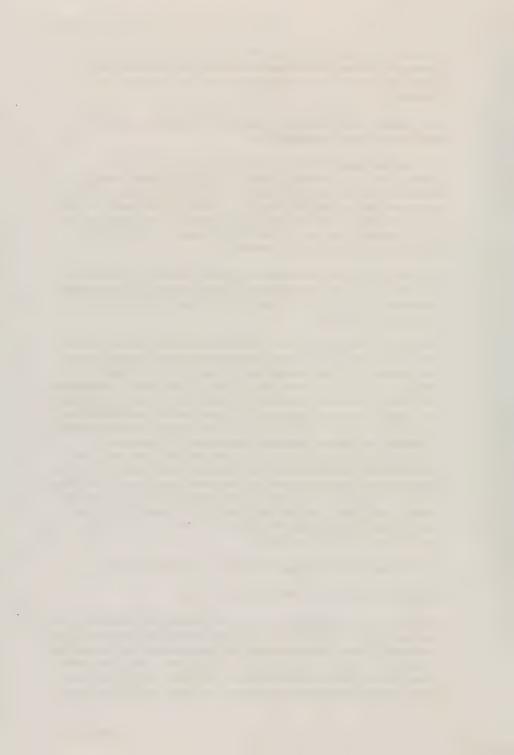
Ms. Covington asked Director Blackwell if there have been any discussions about convening a task force that brings together all the entities so a plan can be formulated that is going to be useful for long term careers for residents in the southeast section in the City.

Director Blackwell stated that there have been discussions, there is a working group that advises the Commission on matters related to contracting, and this was mentioned at the last working group meeting that a group needs to be formed to focus on employment. Mr. Blackwell indicated that it is important to talk about to what extent the Agencies relationship will be with CityBuild, and how that relationship gets augmented by relationships with community based organizations that can do outreach as well as the pipeline for placement through CityBuild. Mr. Blackwell also stated that permanent job placement is a different approach due to Redevelopment Law which the Agency has much more money and influence over the construction side, but do not have the same type of influence on the permanent side, nor can the Agency use the bulk of the dollars to do job training for construction for permanent jobs. Mr. Blackwell stated that the Agency would be working with the City through the different agency partnerships as well as partnerships with community based organizations that will have to achieve those goals.

Ms. Covington asked how long it would take to convene such a meeting.

Director Blackwell stated in about six weeks.

Ms. Covington stated that if the Agency is constrained by Redevelopment Law, she suggested to her colleagues that some type of amendment be made to make a provision for permanent employment. Ms. Covington stated that Hunters Point Shipyard is 550 acres of land, no other entity in the State is looking at a parcel of land that large to be developed, adding to that Visitacion Valley and other projects that the Agency is doing, and there is a need for flexibility, otherwise



the community will be in the same situation because the future has not been planned.

Director Blackwell stated that it is not completely clear to him as well as others whether the short comings of prior plans have been monetarily related, and is not convinced yet that it requires more money. Mr. Blackwell stated that the constraints he mentioned are related to the use of tax increment dollars, the ability to fund the workforce development activities.

Commissioner Covington made a motion to move the item.

Commissioner Singh asked how long it would take to start the project.

Mr. Evans stated that the plan adoption process would take until May with the Board of Supervisors; the plan would then become effective at the end of July, in the meantime, the demolition and remediation work can get started shortly. Mr. Evans stated that the transition from site preparation to horizontal development for infrastructure and vertical development were originally looking at a timeline of two to three years, but with the current economic conditions that would be an optimistic assumption at this time. Mr. Evans stated that he would see vertical construction happening within the next five years, without any promises beyond that.

Commissioner Singh asked how many construction jobs would be created.

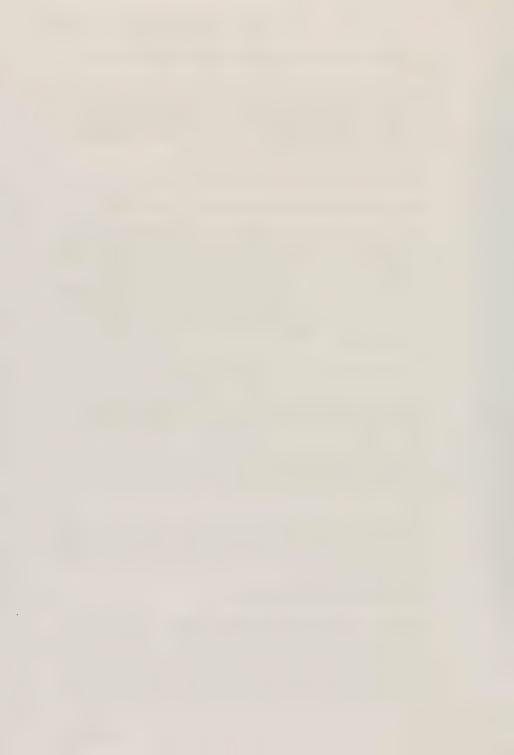
Mr. Evans stated there would be a lot of variability based on the actual development proposals, and indicated that it would be on the Agency to put estimates together to create a job pipeline ready to feed the job demand.

Commissioner Singh stated that there were seventeen speakers and everyone one of them said they needed jobs. Commissioner Singh expressed that he wanted to make sure that jobs should be given to the residents of Visitacion Valley.

Mr. Evans noted Mr. Singh's comment and stated that the Redevelopment Plan commits the Agency to work with the City to have a job development program that focuses on 94134; it is written into the plan and staff will work diligently on the job development program.

Commissioner Singh seconded the motion.

Commissioner Swig stated that he was pleased to hear the affirmation of the plan, the community support on the plan, and the focus on the jobs issue. Mr. Swig also stated that he was pleased with the adjustments made so there would be proper communication tools to the community with the sensitivity towards other languages besides English. Mr. Swig indicated that in the same rigor as he mentioned before in regards to Hunters Point and the documentation and matrix with reference to jobs and job training, should sustain with Visitacion



Valley as well; there is five years to develop the training programs and recruit people within the immediate community to work on the projects. Mr. Swig stated that he would like to advise the community that this five year opportunity presents the task of building a coalition between the building trades, the Redevelopment Agency, the Developer, CityBuild, and the community in general, and highly recommends that everyone start talking to each other and this coalition be built. Mr. Swig stated that if all constituencies are part of a coalition and they all sit at the same table, there is mutual ownership and will get this done, put the focus on jobs and create legislation, funding; it is everyone's responsibility, the trades, the community, CityBuild, the Agency, everyone to form the coalition, and there is time to do so now.

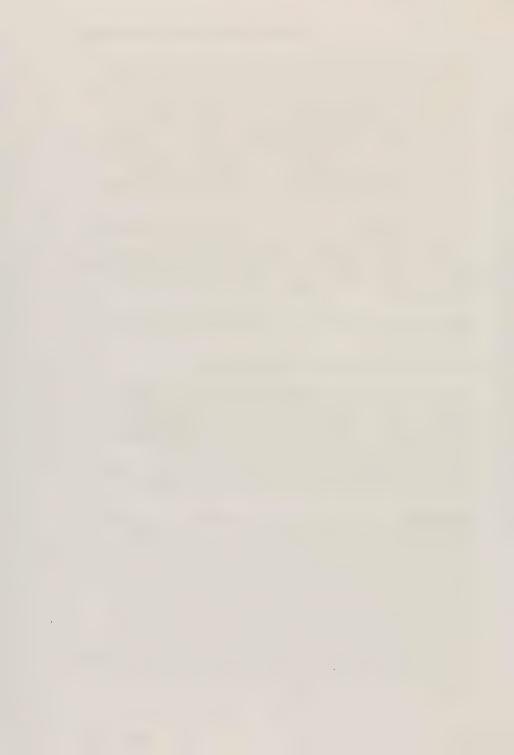
Commissioner Swig asked Director Blackwell for a staff report in reference to explaining the issues with regard to the Community Center, why the Community Center was not part of the neighborhood, and if the Community Center cannot be included in the project area, what options does the community have to seek funding and other support to rehab, rejuvenate and sustain the community center.

Commissioner Covington stated that she wanted to clarify her motion was for items 3(a) through 3(g).

Commissioner Singh seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT), THAT RESOLUTION NO. 1-2009, ADOPTING ENVIRONMENTAL FINDINGS AND A STATEMENT OF OVERRIDING CONSIDERATIONS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR THE VISITACION VALLEY REDEVELOPMENT PROGRAM; VISITACION VALLEY REDEVELOPMENT SURVEY AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT), THAT RESOLUTION NO. 2-2009, APPROVING THE PROPOSED REDEVELOPMENT PLAN FOR THE VISITACION VALLEY REDEVELOPMENT PROJECT AREA AND MAKING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 33445 AND 33679; RECOMMENDING ADOPTION OF THE PROPOSED REDEVELOPMENT PLAN BY THE BOARD OF SUPERVISORS; AND SUBMITTING THE AGENCY'S RECOMMENDATION, INCLUDING THE PROPOSED REDEVELOPMENT PLAN, TO THE BOARD OF SUPERVISORS; VISITACION VALLEY REDEVELOPMENT SURVEY AREA, BE ADOPTED.



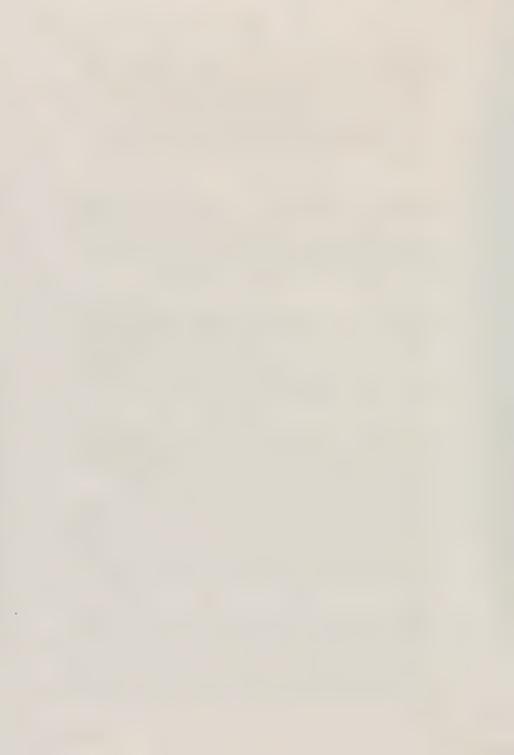
ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT), THAT RESOLUTION NO. 3-2009, APPROVING THE REPORT ON THE REDEVELOPMENT PLAN FOR THE VISITACION VALLEY REDEVELOPMENT PROJECT AND AUTHORIZING TRANSMITTAL OF THE REPORT ON THE REDEVELOPMENT PLAN TO THE BOARD OF SUPERVISORS; VISITACION VALLEY REDEVELOPMENT SURVEY AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT), THAT RESOLUTION NO. 4-2009, APPROVING THE VISITACION VALLEY SCHLAGE LOCK DESIGN FOR DEVELOPMENT FOR THE VISITACION VALLEY REDEVELOPMENT PROJECT; VISITACION VALLEY REDEVELOPMENT SURVEY AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT), THAT RESOLUTION NO. 5-2009, CONDITIONALLY APPROVING THE RULES FOR PROPERTY OWNER PARTICIPATION, RELOCATION PLAN AND THE BUSINESS OCCUPANT RE-ENTRY POLICY FOR THE VISITACION VALLEY REDEVELOPMENT PROJECT; VISITACION VALLEY REDEVELOPMENT SURVEY AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT), THAT RESOLUTION NO. 6-2009, APPROVING THE PROPOSED VISITACION VALLEY COOPERATION AND DELEGATION AGREEMENT FOR THE VISITACION VALLEY REDEVELOPMENT PROJECT AREA; AND DELEGATING TO THE EXECUTIVE DIRECTOR THE AUTHORITY TO NEGOTIATE AND EXECUTE, AT THE REQUEST OF THE PLANNING DEPARTMENT, A MEMORANDUM OF UNDERSTANDING REGARDING CERTAIN PRE-DEVELOPMENT ACTIVITIES RELATED TO THE DEMOLITION PERMIT FOR THE SCHLAGE LOCK SITE; VISITACION VALLEY REDEVELOPMENT SURVEY AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (COMMISSIONER'S ROMERO, BREED, AND CHEU ABSENT), THAT RESOLUTION NO. 7-2009, COMMENDING THE VISITACION VALLEY CITIZENS ADVISORY COMMITTEE ("CAC") AND EXPRESSING THE INTENTION OF THE AGENCY TO CONSULT WITH THE CAC ON THE IMPLEMENTATION OF THE VISITACION VALLEY REDEVELOPMENT PLAN; VISITACION VALLEY REDEVELOPMENT SURVEY AREA, BE ADOPTED.



11. ADJOURNMENT:

It was moved by Commissioner Covington, seconded by Commissioner Singh, and unanimously carried that the meeting be adjourned at 7:05 p.m.

Respectfully submitted,

Agency Secretary

ADOPTED:

MARCH 3, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 17th DAY OF FEBRUARY 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 17th day of February 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King Darshan Singh

GOVERNMENT
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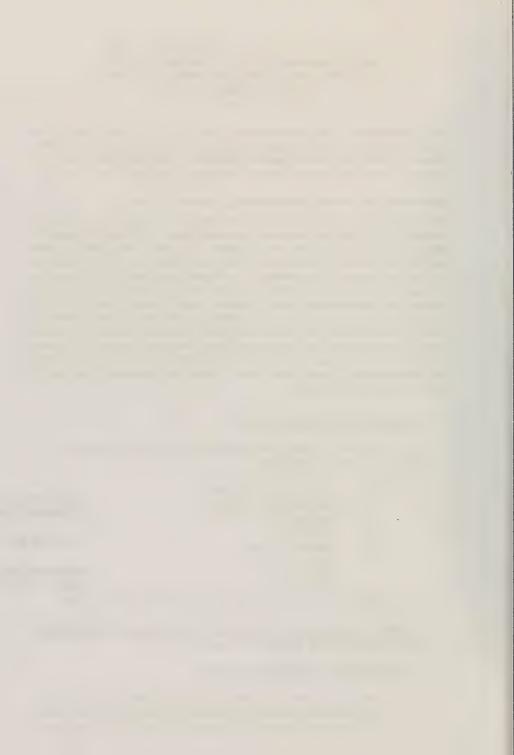
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Fred Blackwell, Executive Director, and staff members were also present.

2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.

3. MATTERS OF UNFINISHED BUSINESS.

(a) Authorizing a Letter Agreement with the Mayor's Office of Community Investment for a Term of 18 Months, from February 19, 2009 to August 18, 2010, for the Development of an Inter-agency Information Management



System, in an amount not to exceed \$525,000 to be paid by the Mayor's Office of Community Investment. (Resolution No. 12-2009)

(b) Authorizing a Personal Services Contract with the Board of Trustees of the Glide Foundation, a California nonprofit public benefit corporation, to provide consulting and software development services for an inter-agency Information Management System in an amount not to exceed \$525,000, for a term of 18 months, from February 19, 2009 to August 18, 2010. (Resolution No. 13-2009)

President Romero called for a point of order and recognized Commissioner King.

Commissioner King stated that he challenged this meeting due to one thing that has not been done which is the evaluation review of the Director. Mr. King stated that a committee was elected to review the Director, and would like to know why the Committee has not met and reviewed the performance of the Director. Mr. King stated that the evaluation of the Director should be determined before a new program is implemented and asked again when the Committee would be meeting to evaluate the Director which he stated should be done before any items are heard.

President Romero stated that Director Blackwell does not have any control over his evaluation since the Commission will be evaluating him, a Committee was appointed two meetings ago to work with Steven Martinez, the Agency's Human Resources Manager in coming up with the way to do the evaluation. Mr. Romero stated that he missed a meeting in between that meeting and the current meeting, and has not been able to follow up on the matter. He contacted Mr. Martinez today and is in the process of scheduling a meeting of the Committee. Mr. Romero stated that the Committee members are Commissioner Francee Covington, Commissioner Darshan Singh, and himself, and will be meeting as soon as they can to come up with a way to do the evaluation and will do it soon thereafter. Mr. Romero reiterated that it was not the fault of the Director.

Mr. King stated that he could not evaluate the items on the agenda until they evaluate the performance of what has been going on with the director and his staff throughout the year and stated that was why the committee was appointed.

President Romero stated that all the items on the agenda are not put on the agenda solely by the Executive Director but by the agenda review process which is President Romero and Vice President Swig.

Mr. King asked if the Glide Memorial item was reviewed by the President and Vice President.

President Romero stated that he was not speaking to the merits of whether anything should be approved but stated that is how the items got on the agenda. Mr. Romero indicated that any individual item that he feels are improper and not justified, he could speak on those items when the item is called upon.



President Romero asked that staff continue with the presentation.

Presenter: Steven Maduli-Williams, Agency Staff

Speakers: None

Commissioner Swig asked if there was a resume and background information on Tekmeca, their experience with other agencies, their financial strength, would make it more comfortable to have more background on the company in a written fashion so the Commission can make good business decision. Mr. Swig stated that the type of program is what the agency should be looking at but suggests that there be focus on as much compatibility with other agencies within the city and other departments such as DPW, Planning or other strategic allies. Mr. Swig expressed concern when he heard the word "custom", and asked if there is a more generic piece of software that has been used by other Redevelopment agencies or other organizations in general around the country so as not to be initiating a new process and setting the Agency up in spending a surmountable amount of money unnecessarily when a program already exists that is doing the same thing.

Mr. Maduli-Williams stated that the software platform is for MOCI; the only component the agency will be moving forward with is the base document that the consultant will get, and the agency in turn receive a software package. There were discussions from two companies, IBM and Global 360; Global 360 has already been used to digitize the agency's microfiche. Mr. Maduli-Williams stated that the software component does not apply to the Agency yet but his sense is that there will be an RFP to one of the top five providers.

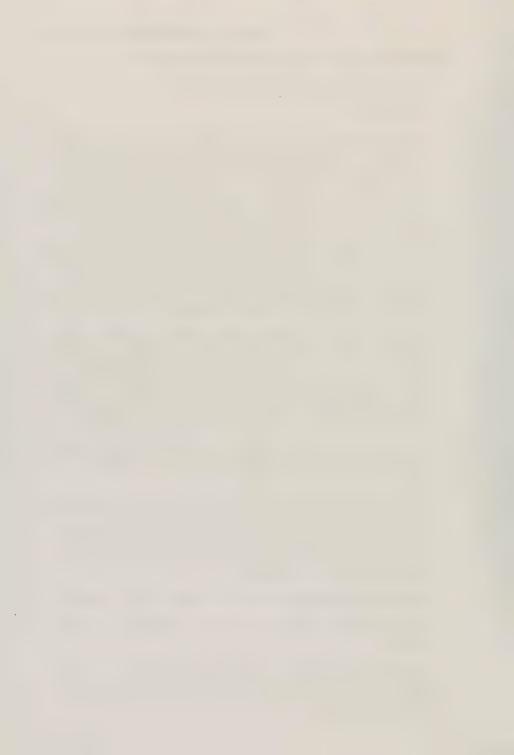
Commissioner Swig stated, for clarity purposes, what is being asked for is approval of a design process and not necessarily the working drawings. Commissioner Swig put forth a motion to move the item.

Commissioner Cheu seconded Mr. Swig's motion. She stated that she has had experience with the program when she was on the CDBG Advisory Committee and found it was quite a transformation to look at standardized data and look at the work performance goals, outcomes, and how agencies were performing. Ms. Cheu stated that the Agency is stepping in the right direction with this type of technology.

Commissioner Singh asked who from staff handled the Agency's software.

Mr. Maduli-Williams stated the Agency has two IT staff but do not produce software.

Ms. Amy Lee, Deputy Director of Finance stated the first step is not an IT integration; it is for mapping current processes in writing charts where things go enroot, and the first stage does not have anything to do with information systems or technology.



Commissioner Covington asked for detailed information on the experience that Glide Foundation has in this area, understands they will be serving as fiscal agents, and indicated that fiscal agents are usually organizations that have a wealth of knowledge of what they're overseeing.

Mr. Maduli-Williams stated that Glide Foundation does not have a wealth of experience as it relates to being a fiscal agent, particularly for community technology initiatives. Glide will be providing fiscal agent services, in addition to that, will be receiving software services; this is not the prototypical fiscal agent type of arrangement.

Mr. Alfred Cheung, Director of IT of MOCI, MOH, and with the City's Interagency Council stated that they are moving forward in the direction of a single platform that can be used across the city, Tekmeca has been rebuilding systems for Mission Hiring Hall and with Glide Foundation to specifically improve their ability to track workforce development activity. Glide provided financial expertise managing grants and Tekmeca providing technical expertise to Glide Foundation.

Commissioner Covington stated that she understands that Glide does excellent work and knows that Agency staff does due diligence on the part of the Agency, but stated that this would be the last time she will be voting in favor of something that does not have enough background information of the organization that is going to be the main organization doing the work, including resumes of the principals of the organization, current clients, information needed to make the right decisions. Ms. Covington stated that this is over \$1M that the Commission is voting on, this time she will take it on faith, but not to count on it next time.

Mr. Maduli-Williams indicated that there was an extensive RFP scoring process that required all that information from all the different parties who applied which he neglected to include but would do so in the future.

Ms. Amy Lee stated for clarification purposes that the cost is \$525,000, those funds will be coming from MOCI through their CDBG funds, and there will be no internal Redevelopment funds.

Charles Jurczak, Chief Technologist of Tekmeca stated that the original implementation was for MOCI developed under HUD standards, which has been reviewed and displayed at many cities across the United States that use and need the type of software, not specifically for MOCI. Mr. Jurczak stated that the software is called TGS (Total Grant Solution), a series of web and desktop applications that take a non-profit agency all the way from being able to register for the process, creating RFP's, negotiating upon terms of their contracts, handling cash disbursement process, allows very flexible reporting, not only just the information that is put into the web applications but the database can also be queried in different ways to make customized reports in a moment's notice.



Mr. Cheung stated MOCI and Tekmeca were recently invited by HUD to give a presentation in Washington and currently 15 cities are approaching Tekmeca to use their software.

Ms. Tamar Dorfman, CFO of MOCI stated that MOCI has been working with Tekmeca for two years, describes it more as a project, not an entity, which was initiated out of a group from San Jose State who received ongoing input from MOCI as end users. It is a project of people who have come together that are committed to creating resources both for non-profits and government around grants, and how you count up what it is you're achieving or applying for. Ms. Dorfman stated that this is why MOCI is willing to invest in the project and run the investment through the Redevelopment Agency, letting the Agency design the RFP and taking a lead because she believes that is what they should be doing, branching out. Ms. Dorfman stated that it would not be helpful if the program was solely for MOCI and believes it is part of the Mayor's narrative for the 2008/2009 budget that highlighted wanting to increase the coordination between MOCI and the Redevelopment Agency, and this is the opportunity to do that.

Commissioner King asked if there were any representatives from Glide Foundation.

Mr. Maduli-Williams stated that there were no representatives from Glide Foundation present.

Commissioner King stated that he would not vote for the item unless there was someone from Glide Foundation present to explain what their special interest is in this contract, and indicated that since there is no representation from Glide Foundation he will not vote for the item since they are the ones the Agency is entering into a contract with as the fiscal agent.

Commissioner Breed also expressed her concerns about the items, there was not enough information provided to make the appropriate decision, believes it should be taken into consideration continuing the item until they are provided with more information and the fact that there was no information about the percentage of how much Glide Foundation was expected to receive as it relates to the contract as the fiscal sponsor. Ms. Breed stated that it was not appropriate to bring the item forth before the Commission with all the pertinent information, and stated that if votes are casted she would not support the items, but would be in favor of continuing the item in order to receiving additional information. Ms. Breed indicated that she also thinks that it is important to explore other programs that exist such as the Cultural Data Project which is being required by the San Francisco Arts Commission and other cultural agencies in the center to try to work towards that particular data system. Ms. Breed stated that other Departments should also be talking to other departments that are utilizing systems that are moving them in the direction of trying to consolidate and use less paperwork.



President Romero stated that after listening to the different comments from people who have worked with the system including Commissioner Cheu, they like the program and the work that's been done by Tekmeca, but the questions raised by the Commissioners about past experience, portfolio, etc., are legitimate. Mr. Romero asked if Tekmeca is such a small enterprise that it needs a fiscal agent.

Mr. Maduli-Williams stated that they grew from San Jose State University, Professors and students worked together along with MOCI to create the consulting collaborative. He also clarified that the Agency is not purchasing a system; MOCI is with CDBG funds which has been allocated to pay for the system.

President Romero asked for clarification purposes if the money was just passing through the Agency and comes out of MOCI's budget, not the Agency's, and if the Agency makes the arrangement with Glide Foundation who will be receiving 5% (\$25,000) as the fiscal agents.

President Romero stated that he is persuaded by the merits, it is just the question of the presentation.

Mr. Cheung stated that Tekmeca would like to be in a non-profit organization to provide assistance to non-profit agencies; they are in the filing process with IRS which is where Glide Foundation comes into play.

Mr. Romero asked when Tekmeca would be eligible to become a non-profit.

Mr. Cheung stated that it would be within six months.

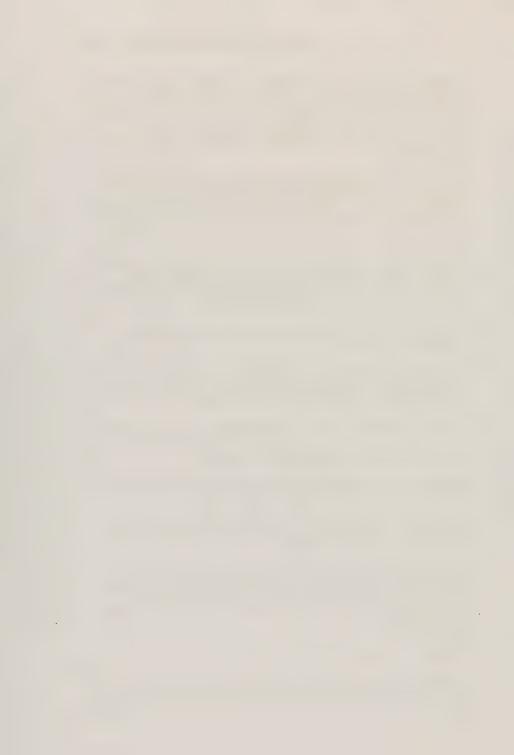
Director Blackwell apologized for not having the information will provide additional information at the March 3 meeting if continued.

President Romero stated to Mr. Swig that he made the motion to move the items and asked if he would reconsider the motion.

Commissioner Swig indicated that after having heard that most Commissioners are uncomfortable that they did not receive the background information before they move forward, Mr. Swig recommended that he remove his motion to go forward and suggest that they move to continue to the next meeting.

Commissioner Singh seconded Mr. Swig's motion.

Commissioner Breed stated that the resolution as written is not clear based on the presentation and the written information, and asked in bringing the item forward at the next meeting, requested that they coincide with one another and



more of the detailed information from the presentation is included in the material.

MOTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT ITEMS 3(a) AND 3(b) BE CONTINUED TO THE NEXT REGULARLY SCHEDULED COMMISSION MEETING.

4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA

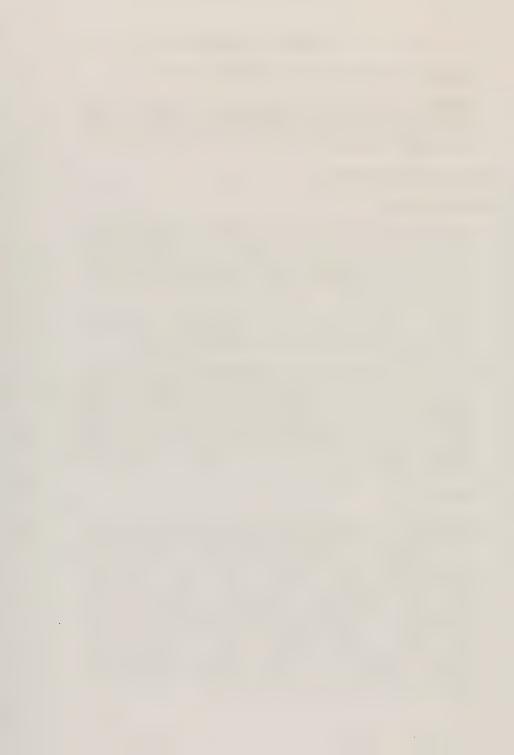
(a) Authorizing a three-year Personal Services Contract with MJM Management Group, a California corporation, in an amount not to exceed \$525,000 for steam cleaning, power washing, tree maintenance, litter and graffiti control services and consulting services on a future community benefit district for the Sixth Street corridor; South of Market Redevelopment Project Area. (Resolution No. 16-2009)

CONSENT AGENDA ITEM 4 (a) WAS REQUESTED TO BE HEARD UNDER THE REGULAR AGENDA DUE TO PUBLIC COMMENT.

(b) Resolution No. 17-2009, Authorizing a Designation Agreement with the City and County of San Francisco for the purpose of administering BEGIN Grants from the State of California to Provide Down Payment Assistant for Low- and Moderate-Income First-Time Homebuyers in amounts not to exceed \$3,720,000, \$960,000, and \$3,930,000, Respectively at 5600 Third Street, Bayview Hunters Point Redevelopment Project Area; 1345 Turk Street, Citywide Housing; and 330 Berry Street and 335 Berry Street; Mission Bay North Redevelopment Project Area.

Speakers: None.

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION 17-2009, AUTHORIZING A DESIGNATION AGREEMENT WITH THE CITY AND COUNTY OF SAN FRANCISCO FOR THE PURPOSE OF ADMINISTERING BEGIN GRANTS FROM THE STATE OF CALIFORNIA TO PROVIDE DOWN PAYMENT ASSISTANT FOR LOW-AND MODERATE-INCOME FIRST-TIME HOMEBUYERS IN AMOUNTS NOT TO EXCEED \$3,720,000, \$960,000, AND \$3,930,000, RESPECTIVELY AT 5600 THIRD STREET, BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; 1345 TURK STREET, CITYWIDE HOUSING; AND 330 BERRY STREET AND 335 BERRY STREET; MISSION BAY NORTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.



REGULAR AGENDA

(a) Resolution No. 16-2009, Authorizing a three-year Personal Services Contract with MJM Management Group, a California corporation, in an amount not to exceed \$525,000 for steam cleaning, power washing, tree maintenance, litter and graffiti control services and consulting services on a future community benefit district for the Sixth Street corridor; South of Market Redevelopment Project Area.

Speakers: Raymen Smith, Ingrid Aquino, Antoinetta III, Randall Evans, Henry Karnilowicz, Catherine Edneyusmcret, Charles Range

Commissioner Covington asked when the next PAC meeting was scheduled.

Mr. Grisso stated that the full PAC was scheduled to meet on Monday, February $23^{\rm rd}$.

Commissioner Covington asked if there was any provision in the contract for a slight extension.

Mr. Grisso stated that they are already under a six month extension.

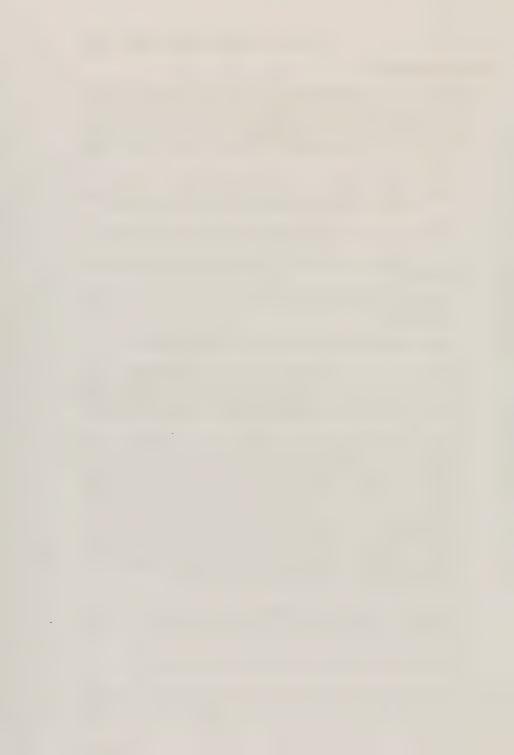
Commission Covington asked that, in the future, the PAC meet in enough time prior to bringing an item to the Commission for approval. Ms. Covington stated that Sixth Street is much improved and the street cleaning is essential to that effort. Ms. Covington put forth a motion to move item 4(a).

Commissioner Breed seconded Ms. Covington's motion. Ms. Breed stated that she was very particular about items coming before the Commission without PAC or CAC approval. Ms. Breed stated that MJM has done an incredible job with every project they have worked on, they have hired people from the community, worked with people who have limited ability to work on certain projects, have hired people who have never worked a job in their lives before, appreciates the time they take with trying to work with members of the community and the care they have given to every project they have been involved in. Ms. Breed stated that it is without hesitation that she supports them wholeheartedly and believes it is important they move forward and not allow time elapse with regards to taking care of Sixth Street.

Commissioner Cheu supported passing the item, believes the PAC is in support of it. Ms. Cheu asked to make a friendly amendment that the item can be passed contingent upon the PAC approving the item on Monday.

Commissioner Covington accepted Ms. Cheu's friendly amendment.

Commissioner Covington also stated that she would like to add in Attachment A, of Scope of Services, Item F, Job Creation and Retention, "when there is a job opening, contractor will be given first consideration to South of Market



residents", she would like the contract to also state in the Scope of Services that after a first consideration is given to South of Market residents, that consideration be given to San Francisco residents at large before it is opened globally to anyone who would like to apply.

President Romero stated that he recognizes and respects the importance of the PAC's input, but also respects the process, will vote in favor of the item but would like, in the future, that the PAC follow the policy so they would not be vulnerable to criticism from people who disagree with the merits of what is being approved.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY, MS. BREED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 16-2009, AUTHORIZING A THREE-YEAR PERSONAL SERVICES CONTRACT WITH MJM MANAGEMENT GROUP, A CALIFORNIA CORPORATION, IN AN AMOUNT NOT TO EXCEED \$525,000 FOR STEAM CLEANING, POWER WASHING, TREE MAINTENANCE, LITTER AND GRAFFITI CONTROL SERVICES AND CONSULTING SERVICES ON A FUTURE COMMUNITY BENEFIT DISTRICT FOR THE SIXTH STREET CORRIDOR; SOUTH OF MARKET REDEVELOPMENT PROJECT AREABE ADOPTED, CONGINGENT UPON PAC APPROVAL ON FEBRUARY 24, 2009.

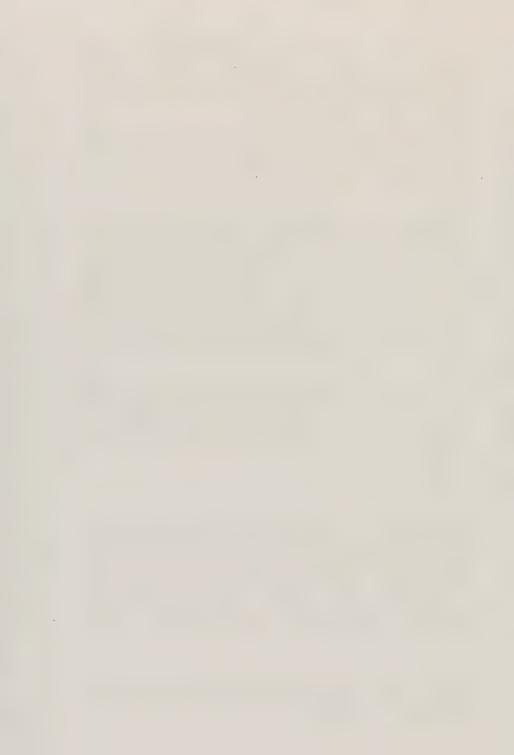
(c) Resolution No. 18-2009, Approving a term sheet to convey the Municipal Railway Substation located at 1190 Fillmore Street to the City and County of San Francisco ("City") and to convey a Certificate for 171,308 units of Transferable Development Rights to the City for the purpose of improving the Substation; former Western Addition Redevelopment Project Area A-2.

Presenter: Amy Neches, Agency Staff

Speakers: None

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 18-2009, APPROVING A TERM SHEET TO CONVEY THE MUNICIPAL RAILWAY SUBSTATION LOCATED AT 1190 FILLMORE STREET TO THE CITY AND COUNTY OF SAN FRANCISCO ("CITY") AND TO CONVEY A CERTIFICATE FOR 171,308 UNITS OF TRANSFERABLE DEVELOPMENT RIGHTS TO THE CITY FOR THE PURPOSE OF IMPROVING THE SUBSTATION; FORMER WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE ADOPTED.

(d) Resolution No. 19-2009, Approving a policy regarding the Agency's use of future tax increment from the former Western Addition A-2 Redevelopment Project to fulfill its replacement housing obligations; Western Addition Redevelopment Project Area A-2.



Presenter: Olson Lee, Agency Staff

Speakers: Arnold Townsend, Randall Evans

Commissioner Swig put forth a motion to move the item 4(d).

Commissioner Singh seconded Mr. Swig's motion.

Commissioner Covington asked how long to expect to get tax increment from the A2, and whether or not there are any additional restrictions.

Mr. Lee stated that the amendment is a part of a series of amendments for all the agencies redevelopment project areas. The Agency, through the support of the City, as well as State Senator Burton, introduced legislation unique to San Francisco which would allow San Francisco to continue collecting tax increment solely for the purposes of replacing affordable housing that was lost prior to the passage of State Legislation which is required replacement housing. Mr. Lee indicated what the law states is that as the redevelopment project areas expire, individual amendments would have be passed to continue the collection of the increment for the purpose solely for replacing that housing. Mr. Lee stated that the definition of the housing production is contained within the Health and Safety Code in terms of what is eligible for its use, which is related to all housing production, and only a minimal amount can be used for anything other than the housing production, primarily administration. Mr. Lee stated that that increment can be collected for as long as the Agency has that outstanding obligation, which was certified by the State Department of approximately 6700 units, of which 700 units are currently in progress in financing based upon the prior SB2113 funding from the other project areas for replacement housing, and staff will continue to work until all 6700 units have been completed.

Commissioner Covington asked how units have been replaced before now.

Mr. Lee stated 6,000.

Commissioner Romero asked for clarification purposes, that part of the authority being extended is to build replacement housing that is affordable only?

Mr. Lee stated that the only redevelopment powers that are being extended is the ability to collect increment which can only be used for the purposes of building affordable housing.

Commissioner Romero asked if a private developer obtains a parcel of land, they would have to want to develop affordable housing for the Agency to use that money, and would have to make that choice on their own?



Mr. Lee stated affirmatively, that there are a variety of potential uses within the A2 if an existing affordable development wanted to restructure, recapitalize, which is common, most of those developments have reached a 25-30 year period from the time of construction.

Commissioner Romero asked what the incentive is to either private or non-profit developers to go into the A2 project area and take advantage of that money.

Mr. Lee stated that there are two sources of funding for any housing outside of redevelopment project areas; the Mayor's Office of Housing as well as the Redevelopment Agency, a developer seeking funding could be assisted from either, in funding those developments.

Commissioner Romero stated that everything should be done possible to promote the use of the money for replacement housing.

Commissioner Covington asked if the monies generated are put into a separate fund, is there a line item in the budget, do the monies accrue interest?

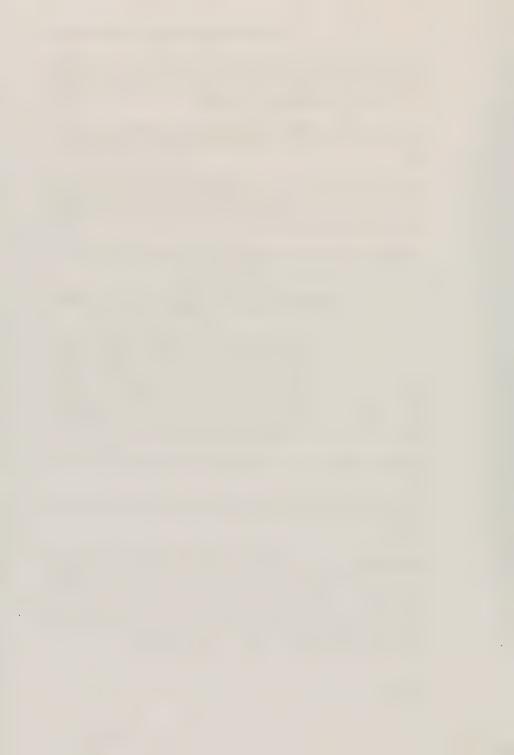
Mr. Lee stated that all applies, the Agency is fund based, the source in any of the tax increment would be identified by source, if bonds were sold based upon that tax increment, that source would be identified, it would be part of the typical budget cycle that the Commission would go through. Mr. Lee indicated that it would be identified what portion of the budget is being raised from increment from the various project areas from which have been done by SB2113, which will be tracked based upon how much increment has been generated from the amendment and where those funds went.

Commissioner Romero asked how the developers are going to be aware that the funds are available.

Mr. Lee indicated that currently that are immediate financial needs for two projects, Central Freeway Parcel C and 1345 Turk which are within the A2 boundaries.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 19-2009, APPROVING A POLICY REGARDING THE AGENCY'S USE OF FUTURE TAX INCREMENT FROM THE FORMER WESTERN ADDITION A-2 REDEVELOPMENT PROJECT TO FULFILL ITS REPLACEMENT HOUSING OBLIGATIONS; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE ADOPTED.

Agenda Items 4(e) through 4(g) were presented together, but acted on separately.



(e) Resolution No. 20-2009, Approving the Relocation Plan for the development of 73 units of affordable rental housing at 6600 Third Street; and adopting the Final Negative Declaration and environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area.

Presenter: Vanessa Dandridge, Agency Staff

Speakers: Calvin Jones, Jr., Father Paul Gawlowski, Dorris Vincent

Commissioner Breed put forth a motion to move all three items. Ms. Breed commended Rev. Jones and Providence Baptist Church for coming to her years ago wanting a building for seniors, has always been aggressive in serving members of the community, the Church is well respected and well known throughout the community as a place to go to for support, love, and help, they know they have a church they can go to assist them and not be judged. Ms. Breed stated that the supportive services that are necessary to address some of the issues in the community would be vital in order to make it a success. Ms. Breed stated that she wants to make sure that the agency is not just going in building housing and building around people, but building for people, with people, and by people.

Commissioner King seconded Ms. Breed's motion. Mr. King commended Rev. Jones' work in the community, and in looking at the youth represented at the Commission meeting, he stated that the Agency will do everything it can to support the project.

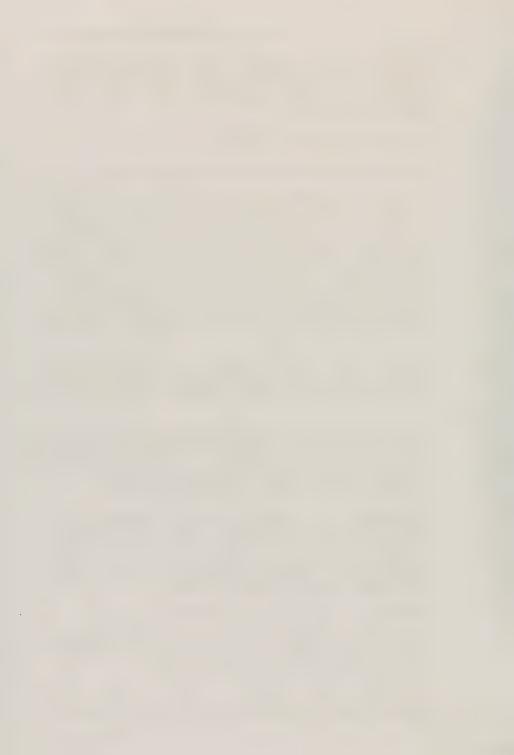
Commissioner Covington stated that she visited the Providence Senior Citizen Housing on Third Street and indicted that it is a fine example of what can be done in the City to help people who may be in fragile situations. Ms. Covington stated that she supports the project and looks forward to its completion. Ms. Covington asked what the proposed unit mix was.

Ms. Dandridge stated that there are 32 studios, 34 two bedrooms, 8 – three bedrooms, which unit mix was derived by working closely with the City's Human Services Agency who have a relationship with shelters and household compositions. Ms. Dandridge stated that the Human Services Agency requested that more family units be developed in the proposed project of which the sponsor responded with the unit configuration.

Commissioner Covington asked for more information on teen services.

Ms. Dandridge stated that the TAYH (transitional aged youth households) task force has been working with HAS to identify properties that would be suitable as TAYH units of which six have been identified.

Commissioner Covington stated that the salary for the Youth Service Coordinator should be reconsidered to boost the salary since it is a very



challenging population and they do not an employment history, are new parents, and need a lot of assistance. Ms. Covington stated they need someone very strong in that position and does not think that the proposed salary is going to attract the person they really need.

Commissioner Romero stated that he wholeheartedly supports the project.

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 20-2009, APPROVING THE RELOCATION PLAN FOR THE DEVELOPMENT OF 73 UNITS OF AFFORDABLE RENTAL HOUSING AT 6600 THIRD STREET; AND ADOPTING THE FINAL NEGATIVE DECLARATION AND ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(f) Resolution No. 21-2009, Approving the Replacement Housing Plan for the Development of 73 Units of Affordable Rental Housing at 6600 Third Street; Bayview Hunters Point Redevelopment Project Area.

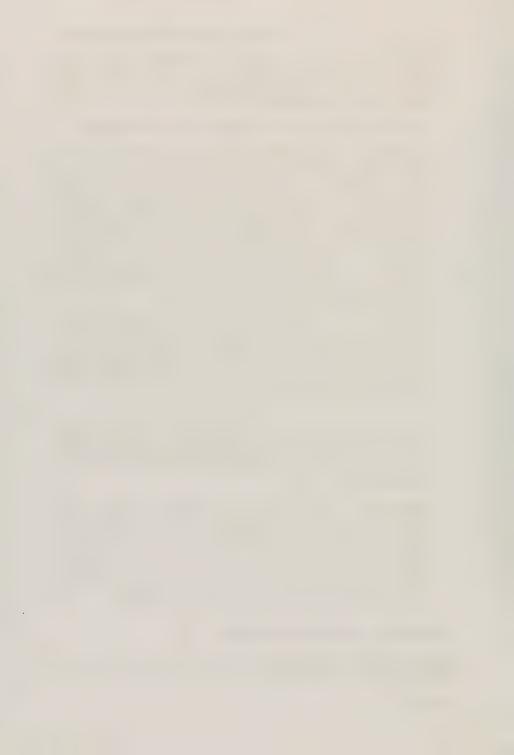
ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 21-2009, APPROVING THE REPLACEMENT HOUSING PLAN FOR THE DEVELOPMENT OF 73 UNITS OF AFFORDABLE RENTAL HOUSING AT 6600 THIRD STREET; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(g) Resolution No. 22-2009, Authorizing an Acquisition and Predevelopment Loan with Third and LeConte Associates LP, a California Limited Partnership, in an amount not to exceed \$4,887,059 for the development of 73 units of affordable rental housing at 6600 Third Street; Bayview Hunters Point Redevelopment Project Area.

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 22-2009, AUTHORIZING AN ACQUISITION AND PREDEVELOPMENT LOAN WITH THIRD AND LECONTE ASSOCIATES LP, A CALIFORNIA LIMITED PARTNERSHIP, IN AN AMOUNT NOT TO EXCEED \$4,887,059 FOR THE DEVELOPMENT OF 73 UNITS OF AFFORDABLE RENTAL HOUSING AT 6600 THIRD STREET; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 5. MATTERS NOT APPEARING ON AGENDA: None
- 6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speaker: Ashley Rhodes



7. REPORT OF THE PRESIDENT:

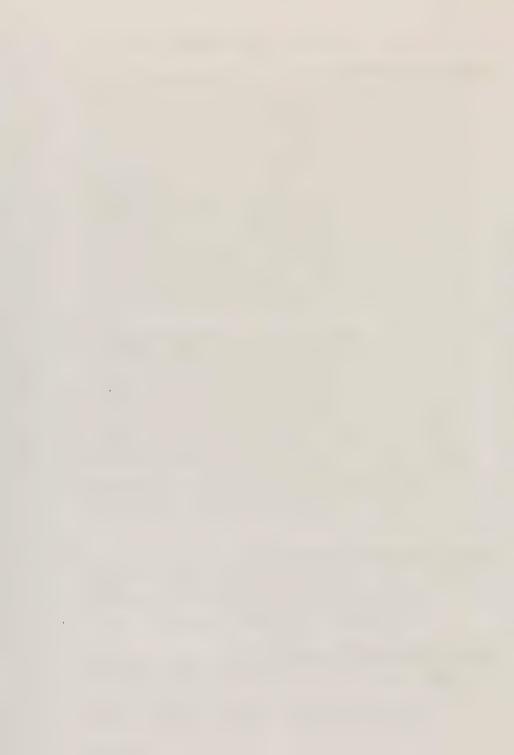
- President Romero apologized for not being at the last meeting, had a long term work commitment that he could not rearrange. Understood that there was a concern raised by Commissioner Covington about a speaker at a meeting a month ago which he chaired, the agenda item was the loan to the restaurants to the Western Addition. Mr. Romero stated that one of the speakers used the "N" word in his presentation and stated, "To be honest with you, I do not recall actually hearing it but I'm sure it was said". Mr. Romero stated that it was a very colorful speaker who has been before the Commission many, many times, and no objective was made at the time of the use of the word. Mr. Romero urged his fellow Commissioners if anyone comes to the podium and says anything they think is improper to please interrupt with a point of order and ask him to take action or rule on it. Mr. Romero stated that he apologizes to the Commission and anyone in the public who was offended by that speakers use of the word, he has no way of knowing what will be coming out of the mouth of people who come to speak under the public comment portion, and stated that Ms. Covington was correct that he should have said something and asked him not to use that kind of language.
- Mr. Romero stated that he asked General Counsel Morales to do some research and see what other City Commissions do; they have adopted a policy called "The Mayor's Policy on Discriminatory or Harassing Remarks made at Public Meetings" which came out of another Commission which remarks were directed at employees of the city government the Commission oversaw. Mr. Romero's recollection of the remarks made by the speaker could be interpreted as generally attacking the Agency, apologized for not remembering the specific context, stated that he would like to consider adopting the policy, intends to ask Vice President Swig to agree, and the Executive Director to add the adoption of the policy. Mr. Romero distributed a copy of the policy to the Commission.
 - Commissioner Covington stated that the Commission Secretary does not transcribe the comments of the members of the public and encouraged Mr. Romero to listen to the tape of the comments that were made.

8. REPORT OF THE EXECUTIVE DIRECTOR:

- Director Blackwell reported that Parcel G and 1450 Franklin, which were previously approved by the Commission have been appealed:
 - Parcel G has gone before the Appeals Board and upheld the Commission's decision to move forward.
 - 1450 Franklin will be at the Appeals Board this week.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

- Commissioner Breed stated that there were discussions on an event in the Western Addition and she has not heard anything in about a month on the status.
 - Director Blackwell stated that they are currently working with the Mayor's schedule for a date in March that would hold a ceremony



and produce certificates of recognition to the members of the CAC on the Mayor's balcony.

- Commissioner Breed stated that a One-Stop will be opening in the Western Addition and asked Director Blackwell if he had any information on it.
 - Director Blackwell stated that the One-Stop has already opened, is bustling, very nice, people working diligently on both sides.
- Commissioner Breed would like to make it clear and on record that she understands what happened in the Western Addition is not one persons fault, a lot of it has been over the years, a huge part of it is the Agency and other dynamic that's come to play, as a Commissioner who has spent her entire life in the Western Addition, she has always struggled with being a Commissioner and trying to do what is in the best interest of the Western Addition and to support the constituency of the Western Addition, and represent the Agency appropriately, and explain why certain things could not be done. Ms. Breed stated that it has been very tough and now that the Redevelopment Agency is not part of the Western Addition, she sees quite a few things that has not been completed. Ms. Breed would like the Agency, if at all possible, is to follow through and while making all the transitions and transfers, she does not want the Agency to close the door, she wants to make sure the sidewalks are finished, work with the Muni Substation, do whatever needs to be completed to the best of the Agency's ability. She stated that the One-Stop will be very beneficial to the Western Addition, and in moving forward, she reiterated that the Agency, in leaving the Western Addition, take care of the Western Addition because she feels that the Agency is not completely finished with the responsibilities and complete whatever needs to be completed.
- Commissioner Romero asked if the appeal for 1450 Franklin were successful, would it come back to the Agency.
 - Director Blackwell stated that was has been appealed is the building permit; it would not likely come back to the Commission because the entitlement process falls under the Planning Department.

10. CLOSED SESSION: None.

11. ADJOURNMENT:

It was moved by Commissioner Covington, seconded by Commissioner Cheu, and unanimously carried that the meeting be adjourned at 6:05 p.m.

Respectfully submitted,

Agency Secretary

ADOPTED:

March 17, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 3RD DAY OF MARCH 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 3rd day of March 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

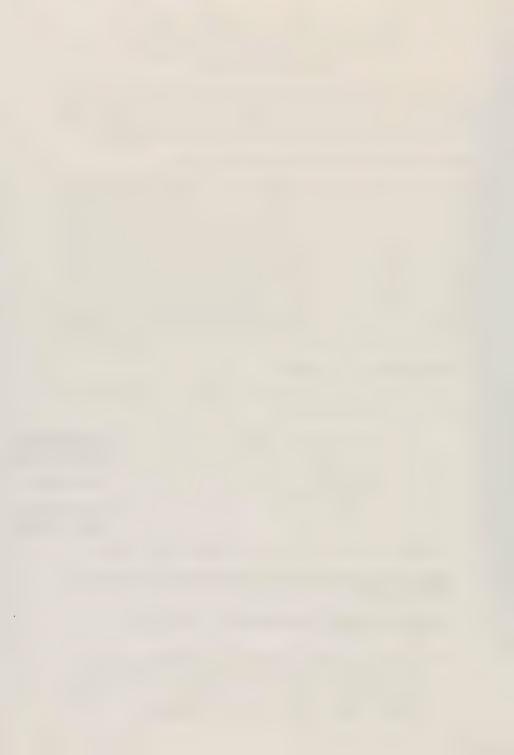
Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King Darshan Singh GOVERNMENT DOCUMENTS DEPT

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Fred Blackwell. Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- **3.** MATTERS OF UNFINISHED BUSINESS: Continued from February 17, 2009 Commission Meeting
 - (a) Resolution No. 12-2009, Authorizing a Letter Agreement with the Mayor's Office of Community Investment for a Term of 18 Months, from March 5, 2009 to September 4, 2010, for the Development of an Inter-agency Information Management System, in an amount not to exceed \$525,000 to be paid by the Mayor's Office of Community Investment.



(b) Resolution No. 13-2009, Authorizing a Personal Services Contract with the Board of Trustees of the Glide Foundation, a California nonprofit public benefit corporation, to provide consulting and software development services for an inter-agency Information Management System in an amount not to exceed \$525,000, for a term of 18 months, from March 5, 2009 to September 4, 2010.

Presenter: Stephen Maduli-Williams

Speakers: Randall Evans, Ace Washington

Commissioner Swig put forth a motion to move Agenda Items 3(a) and 3(b), thanked staff for their diligence in providing background information requested from the previous meeting. Mr. Swig asked what fee would be paid to Glide for their part as Fiscal Agents on behalf of Tekmeca.

Mr. Maduli-Williams stated Glide would be receiving 5 percent cash of the total contract plus 10% of services in kind, with Tekmeca providing in kind technology services to Glide.

Commissioner Swig asked Mr. Cheung who specifically would be performing the work.

Mr. Cheung stated that both Paul Winn, Chief Architect in software design, and Chief Technologist, Charlie Jerzog have 20 years experience with software design and development with Fortune 500 companies would primarily be doing the majority of the work, and provide direct supervision to the students.

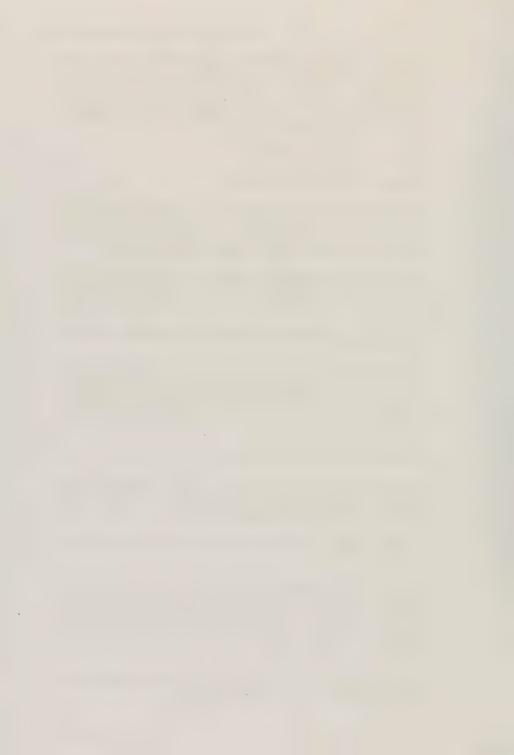
Commissioner Singh seconded the motion.

Commissioner Breed asked where MOCI would be receiving the funds from, if the funds have been allocated for the current fiscal year's budget, and why the funds need to go through the Agency.

Mr. Maduli-Williams stated they would be receiving the funds from the Community Block Grant.

Ms. Tamra Dorfman stated that the majority of the \$525,000 had been allocated in the 2008/2009 budget with remaining unspent funds from the prior year that had been allocated for information systems and technology purposes. Ms. Dorfman indicated that in terms of the programmatic interest of where MOCI would like the project to go, it was important that the Agency direct the RFP process.

Commissioner Breed asked how much staff time would be required, and if the Agency has the capacity to undertake the program.



Mr. Maduli-Williams stated the Agency does have the capacity and the cost would be minimal.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 12-2009, AUTHORIZING A LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF COMMUNITY INVESTMENT FOR A TERM OF 18 MONTHS, FROM MARCH 5, 2009 TO SEPTEMBER 4, 2010, FOR THE DEVELOPMENT OF AN INTER-AGENCY INFORMATION MANAGEMENT SYSTEM, IN AN AMOUNT NOT TO EXCEED \$525,000 TO BE PAID BY THE MAYOR'S OFFICE OF COMMUNITY INVESTMENT; AND, RESOLUTION NO. 13-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH THE BOARD OF TRUSTEES OF THE GLIDE FOUNDATION. A CALIFORNIA NONPROFIT PUBLIC CORPORATION, TO PROVIDE CONSULTING AND SOFTWARE DEVELOPMENT SERVICES FOR AN INTER-AGENCY INFORMATION MANAGEMENT SYSTEM IN AN AMOUNT NOT TO EXCEED \$525,000, FOR A TERM OF 18 MONTHS, FROM MARCH 5, 2009 TO SEPTEMBER 4, 2010, BE ADOPTED.

4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA

- (a) Approval of Minutes: Meeting of February 3, 2009
- (b) Approval of Minutes: Meeting of February 17, 2009
- (c) Authorizing execution of a Second Amendment to the Personal Services Contract with Tom Eliot Fisch, a California corporation, to increase the Contract amount by \$57,917, plus a contingency of \$5,000 for a total aggregate amount not to exceed \$846,116, to complete construction administration services for phase two improvements to Pier 40; Rincon Point-South Beach Redevelopment Project Area. (Resolution No. 23-2009)
- (d) Authorizing a First Amendment to the Personal Services Contract with Arc Ecology, a California nonprofit corporation, to extend the contract term on a month-to-month basis for up to four months for the period March 22, 2009 through July 21, 2009, and to increase the contract amount by an amount not to exceed \$133,325, to provide environmental outreach and information services to the Bayview Hunters Point Community, for a total aggregate amount of \$1,100,325; Hunters Point Shipyard Redevelopment Project Area. (Resolution No. 24-2009)

The Commission Secretary stated there was a speaker card for Agenda Item 4(d).



President Romero stated that Agenda Item 4(d) would be pulled from the Consent Agenda for a staff presentation and public comment.

Commissioner Breed put forth a motion to continue Consent Agenda Item 4(b), Approval of Minutes: Meeting of February 17, 2009 to the next meeting, and recused herself from Consent Agenda Item 4(a), Approval of Minutes: Meeting of February 3, 2009; she was not present at that meeting.

Commissioner Cheu recused herself from Consent Agenda Item 4(a), Approval of Minutes: Meeting of February 3, 2009, she was not present at that meeting.

President Romero recused himself from Consent Agenda Item 4(a), Approval of Minutes: Meeting of February 3, 2009, he was not present at that meeting.

MOTION: IT WAS MOVED BY MS. BREED, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT CONSENT AGENDA ITEM 4(b), APPROVAL OF MINUTES: MEETING OF FEBRUARY 17, 2009 BE CONTINUED TO THE NEXT MEETING.

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT APPROVAL OF MINUTES: MEETING OF FEBRUARY 3, 2009, AND RESOLUTION NO. 23-2009, AUTHORIZING EXECUTION OF A SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH TOM ELIOT FISCH, A CALIFORNIA CORPORATION, TO INCREASE THE CONTRACT AMOUNT BY \$57,917, PLUS A CONTINGENCY OF \$5,000 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$846,116, TO COMPLETE CONSTRUCTION ADMINISTRATION SERVICES FOR PHASE TWO IMPROVEMENTS TO PIER 40; RINCON POINT-SOUTH BEACH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

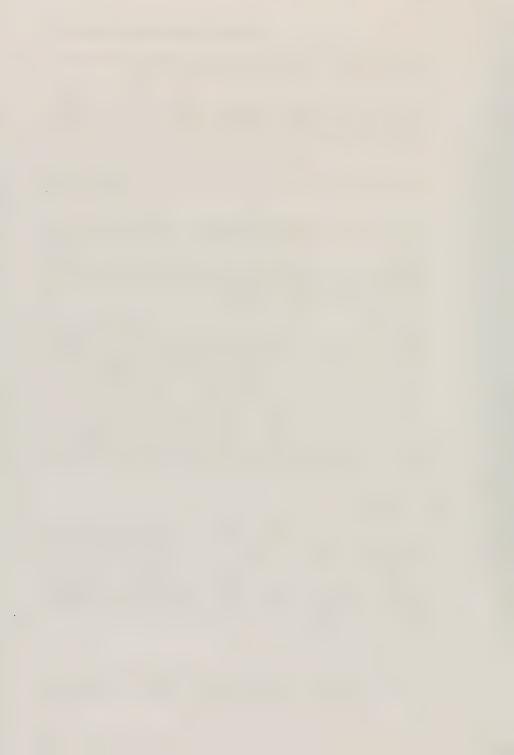
REGULAR AGENDA

(d) Authorizing a First Amendment to the Personal Services Contract with Arc Ecology, a California nonprofit corporation, to extend the contract term on a month-to-month basis for up to four months for the period March 22, 2009 through July 21, 2009, and to increase the contract amount by an amount not to exceed \$133,325, to provide environmental outreach and information services to the Bayview Hunters Point Community, for a total aggregate amount of \$1,100,325; Hunters Point Shipyard Redevelopment Project Area. (Resolution No. 24-2009)

Presenter: Thor Kaslofsky, Agency Staff

Speakers: Oscar James, Leaotis Martin, Bobby Washington, Brother Leon Muhammad, Francisco DaCosta, Jesse Mason, Saul Bloom, Rachel

Russell, Randall Evans, Daniel Landry



Commissioner Swig indicated that he wanted to remind everyone what is being discussed is the extension of a four month contract with ArcEcology for the purpose of providing environmental services to the community, with affirmation from the CAC that they are in support of the four month extension. Mr. Swig indicated that Staff is currently reviewing proposals to either extend ArcEcology fairly, or if there were suitable persons or organizations that are better prepared than ArcEcology, they would then be before the Commission and be subject to community scrutiny and discussion, and the approval of their proposal in less than four months. Mr. Swig stated that he did not think it was appropriate to put the community at risk without environmental services, and believes that Staff heard the pros and cons and will take those comments into consideration when they evaluate all proposals that will become an alternative to the current position.

Commissioner Swig put forth a motion to approve Agenda Item 4(d).

Commissioner Covington asked for background information on the Restoration Advisory Board.

Mr. Kaslofsky stated the Restoration Advisory Board is advisory to the Navy on their clean up board. Mr. Kaslofsky invited Saul Bloom and Mike McGowan to speak on behalf of the board.

Commissioner Covington asked if the extension was brought before the PAC.

Mr. Kaslofsky stated that the CAC requested that the item be brought before them.

Commissioner Covington asked that Mr. McGowan to speak on behalf of the Restoration Advisory Board, and Brother Leon Muhammad to speak as Community Co-Chair.

Mr. McGowan stated that the Restoration Advisory Board is made up of a variable number of representatives from the community and community based organizations, serves as a two way conduit of information about the clean up, and communicator of the community between community members, organizations, and the Navy; monthly meetings are held which provides the current status of the clean up and a Q&A to the Navy. Mr. McGowan stated that the Board includes people who are interested in economic development; scientists who help review Navy documents, and citizens from the community who have an important stake in the clean up.

Commissioner Covington asked how many members serve on the Board.

Mr. McGowan stated that there are 20 members but that there have been parliamentary irregularities recently where there may be some questions as to whether some members are actual members, whereby the Navy cancelled



February's Restoration Advisory Board meeting due to confusion about the purview of the Board to make decisions and suggestions.

Brother Muhammad indicated that technically, Mr. McGowan could not speak on behalf of the Restoration Advisory Board according to the By-Laws, and stated, as a scientist on the Board, Mr. McGowan technically does not have a voice.

Commissioner Covington asked what falls under the purview of the Board, how many members are on the Board, and how many members are from the community.

Brother Muhammad stated there are 20 members on the Board which falls under the Under Secretary of Defense, 70% representing the community, the board advises the BRAC (U.S. Navy) on environmental cleanup on what should be done that is conducive to the violations and historical injustice to Bayview Hunters Point. Brother Muhammad indicated that there has been a strong voice from the Bayview Hunters Point community that is advocating for good residential cleanup. Brother Muhammad stated that Mr. Gilkey, Branch Manager of the HPSY Restoration Advisory Board and Treasure Island, is in violation of the rules and regulations to suggest dissolution of the Restoration Advisory Board without following protocol.

Commissioner Covington asked if the matter came before the Board.

Brother Muhammad stated that it did not.

Commissioner Covington asked when he was speaking earlier, if he was speaking as a private citizen.

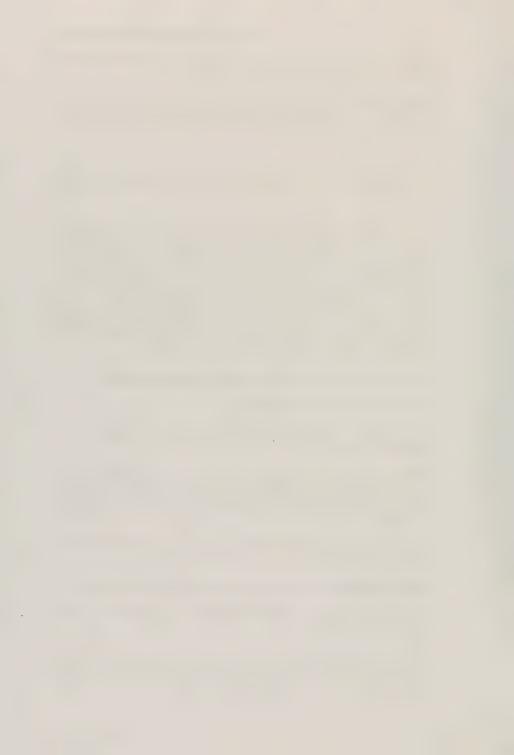
Brother Muhammad stated that he was speaking as the Community Co-Chair for the Restoration Advisory Board ill advising the extension of ArcEcology because, in his opinion, they are not sufficient or effective as scientists on the Restoration Advisory Board.

Commissioner Covington asked if the body did not vote on the extension, how he could speak for them.

Brother Muhammad stated that he has that right according to the By-laws.

Commissioner Breed asked when staff anticipates bringing the new contract before the Commission.

Mr. Kaslofsky estimated they would be before the Commission with their recommendation in two months after the process of reviewing the proposals, conducting interviews, and presenting their selection to the CAC for their review.



President Romero stated that there was still a need for a second to the motion, asked General Counsel's opinion if he could second the motion. General Counsel confirmed that he could; Mr. Romero seconded the motion, stated that ArcEcology has had a long good standing relationship with the Agency and the Hunters Point Shipyard and have performed an excellent job.

Commissioner Cheu asked for more information on how the CAC initiated that the extension of ArcEcology be presented to them.

Mr. Kaslofsky stated that staff was presenting the Request for Qualifications for the contract to the CAC for their consideration; the CAC asked in the event that there be a gap in services, would staff be able to extend the contract. Mr. Kaslofsky informed the CAC that they would be able to extend the contract and again made the same request at their next CAC meeting.

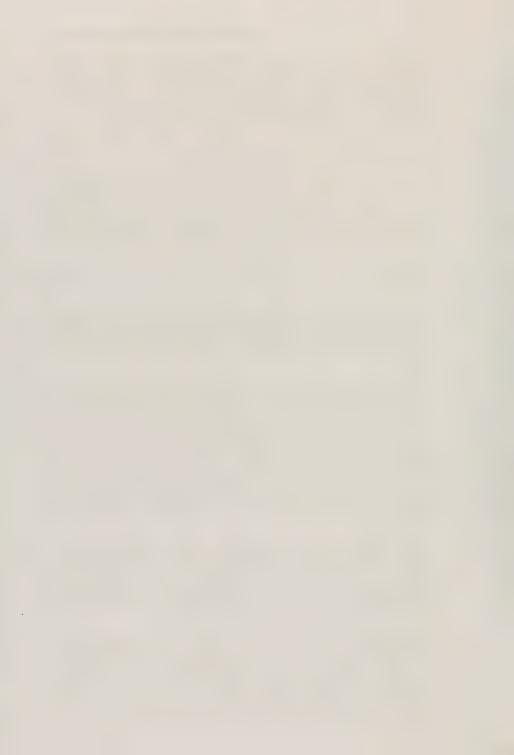
Commissioner Cheu asked what working relationship the CAC has with ArcEcology.

Mr. Kaslofsky stated that ArcEcology has a good working relationship with the CAC, is tasked with giving monthly reports at the full CAC meetings, monthly environmental subcommittee meetings, and other meetings as needed, review, and provide guidance on the environmental documents from the Navy.

Commissioner Covington stated that Staff should not put the Commissioners in the position of extending contracts when they should be fully aware when a contract will be expiring. She pointed out that staff has come before the Commission for several extensions within the last four or five months and should be on an occasional basis depending on the situation, but does not think it is a good way of doing business. Ms. Covington stated that there is a lot of information that needs to go out to the community in the Bayview Hunters Point and in good conscience she could not let ArcEcology go at this time. Ms. Covington made the suggestion that Staff fast track the review of the proposals.

Commissioner Cheu echoed Commissioner Covington's comments and stated that she has been impressed with their reports, and agreed there shouldn't be a gap in services. Ms. Cheu stated that the key is going to be in dealing with the contract which will need a lot of information about the evaluation of the qualifications of the consultant that is selected and any issues that come up in the next four months. Ms. Cheu supports the extension.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. ROMERO, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 24-2009, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH ARC ECOLOGY, A CALIFORNIA NONPROFIT CORPORATION, TO EXTEND THE CONTRACT TERM ON A MONTH-TO-MONTH BASIS FOR UP TO FOUR MONTHS FOR



THE PERIOD MARCH 22, 2009 THROUGH JULY 21, 2009, AND TO INCREASE THE CONTRACT AMOUNT BY AN AMOUNT NOT TO EXCEED \$133,325, TO PROVIDE ENVIRONMENTAL OUTREACH AND INFORMATION SERVICES TO THE BAYVIEW HUNTERS POINT COMMUNITY, FOR A TOTAL AGGREGATE AMOUNT OF \$1,100,325; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Agenda Items 4(e) - 4(g) were presented together, but acted on separately.

- (d) Granting an exception from the height limit restriction for building signs in the Yerba Buena Center Redevelopment Plan related to tenant signage at the Metreon site located at the northeast corner of Fourth Street between Mission and Howard Streets; Yerba Buena Center Approved Redevelopment Project Area D-1. (Resolution No. 25-2009)
- (e) Granting an exception from the height limit restriction for building signs in the Yerba Buena Center Redevelopment Plan and conditionally approving the schematic design for proposed improvements to the Metreon site located at the northeast corner of Fourth Street between Mission and Howard Streets; Yerba Buena Center Approved Redevelopment Project Area D-1. (Resolution No. 26-2009)
- (f) Authorizing a Memorandum of Understanding with Westfield Metreon, LLC, a Delaware limited liability company, FC Metreon LLC, a Delaware limited liability company, and Mission Hiring Hall, a California nonprofit public benefit corporation acting through its affiliate the South of Market Employment Center, for permanent workforce program requirements at the Metreon site located at the northeast corner of Fourth Street between Mission and Howard Streets; Yerba Buena Center Approved Redevelopment Project Area D-1. (Resolution No. 27-2009)

Presenter: Amy Neches, Agency Staff

Speakers: Don Marcos, Oscar Penaranda, Marivic Bamba, John Brown, Ed Espanol, Laurie Armstrong, Carolyn Diamond, John Elberling, Randall Evans, Ace Washington

Commissioner Breed stated that she was excited about the project since it has been a long time coming, and the relationship between Westfield and the Mission Hiring Hall has been an invaluable relationship, appreciates Don Marcos and all his hard work in making sure San Francisco residents are employed in Westfield. Ms. Breed indicated that she would like to see more consideration taken in stepping up security measures at the Metreon Theatre, would like to see youth hired and have affordable retail shops for youth at the so that there will be an integrated fun area with economic development for everyone in San Francisco. Ms. Breed stated that she is very excited to see that the Filipino Cultural Center will be located in the heart of the Yerba



Buena Center which demonstrates a great partnership and collaboration in ensuring that all parties are represented. Ms. Breed put forth a motion to move all three items.

Commissioner Cheu seconded the motion. Ms. Cheu stated that it is a complete and comprehensive package, very enthusiastic about the retail stores, restaurants, redesign, and impressed with the support. Ms. Cheu indicated that she is happy to see the project move forward creating not only construction jobs but permanent jobs also. Ms. Cheu asked what the timeframe is and if it has shifted at all due to the economy.

Ms. Neches stated that staff has been in communications with Westfield and they understand this to be a great investment opportunity, and are certain that will get the appropriate financing. Ms. Neches stated that they hope to start the project sometime in mid 2009 with the completion date to be around mid 2010, in time for the Holiday season.

Commissioners Cheu asked how many permanent jobs would be created.

Ms. Neches stated that Westfield estimates between their own employment and sub-tenants employment, there will be about 1100 jobs with Tavern on the Green expecting to employ 300-400 people.

Commissioner Cheu stated that she is very excited to hear about the Filipino American Cultural Center, asked what the plans were for operating dollars.

Mr. Don Marcos, Executive Director of Mission Hiring Hall, and Interim Director for the San Francisco Filipino Cultural Center stated that the move is exciting because they have enough money for the build out itself, they will then begin their fund raising and development for the operations and programming immediately. Mr. Marcos stated that Center will be supported mainly by the Filipino community in the Bay Area, collaborating with Los Angeles and San Diego, with the hopes that the other centers built in those cities would constitute 80% of the Filipino population in California accessing those three centers. Mr. Marcos also stated that they will be getting support from businesses, commerce trades from the Filipino Islands as well, and that there is no competition since there is no other Filipino Cultural Center in San Francisco, let alone the Bay Area.

Commissioner Cheu stated that the cultural center has been long time coming, enthusiastically supports the project, and seconded the item.

Commissioner Covington stated that she too is very enthusiastic about the plans, very happy that the cultural aspect is going to be included, and excited that Tavern on the Green will be at the Center since they have been around for decades and have consistently done very well. Ms. Covington stated that she is happy about the 15 year agreement and a ten year extension long term employment agreement. Ms. Covington asked what the relationship would be



with the Mission Hiring Hall and other organizations such as the One Stop in the Western Addition, she wants to make sure there is outreach to those parts of the City that have been hardest hit economically, that would be the Western Addition and the Bayview.

Mr. Villacarlos stated that the Mission Hiring Hall is the construction piece of the South of Market employment center. They will also work with the One Stop Shop as well as the First Source shop of Jim Welly, they have been engaged in this process, and there are provisions in the MOU that defaults into the One Stop Shop or the First Source Hiring Agreement.

Commissioner Covington stated that she was wanted to confirm that the estimated number of 1100 of new jobs would be generated.

Ms. Neches confirmed that 1100 total permanent jobs in the Center, with some jobs already in existence.

Commissioner Covington stated that the new retail outlets coming in and the entrances off of the street would be helpful, also supports the signage for the Tavern on the Green. Ms. Covington asked what is happening for the smaller businesses in terms of signage.

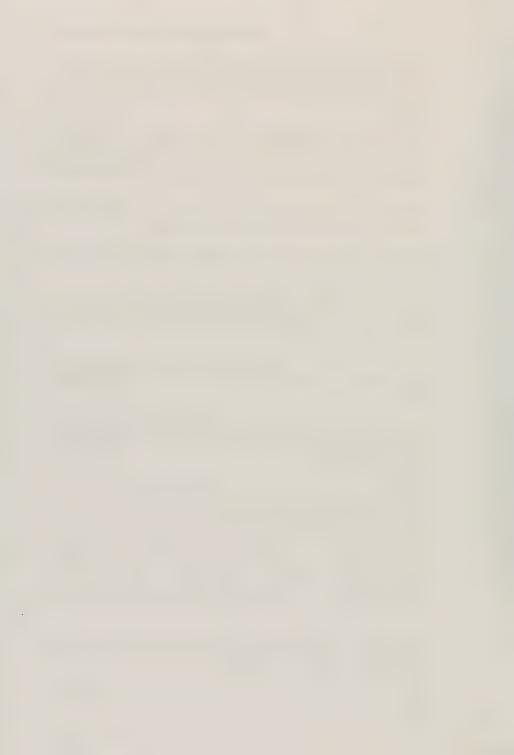
Ms. Neches stated staff is working with all the businesses in ensuring that the signage maintains a comfortable park like setting and appropriate public realm.

Commissioner Singh stated that he is very satisfied with the project and very happy to see that the Filipino Cultural Center will be housed at the Metreon, and looks forward to the completion of the project under the leadership of Vicky and Don Marcos.

Commissioner Swig echoed the same sentiments as his fellow Commissioners of the synergy of the project and very impressed with how Westfield have set the example for the big businesses as community participants by including the Mission Hiring Hall, the Filipino community. Mr. Swig stated the result of the project would assist the Convention Business Bureau in booking business, making the Moscone area more attractive, better for the Union Square Association, and the surrounding stores because it anchors solidly the attractive nature of San Francisco's retail area, right from Union Square down to Moscone Center. Mr. Swig stated it is a win, win situation and expressed his supports.

President Romero stated that he agreed with everything Commission Swig said and thanked the developers for making the investment in the City of San Francisco at a very difficult time for the City.

Commissioner Singh inquired as to what type of stores would be located at the Metreon.



Ms. Neches stated there will be restaurants, retailers, and a food court in the middle on the ground floor; the second floor will consist of mix uses; a food market and cultural uses such as the Filipino Cultural Center, and the San Francisco Museum of Craft and Design; the third floor will be the cinemas; and the fourth floor will be the Tayern on the Green.

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 25-2009, GRANTING AN EXCEPTION FROM THE HEIGHT LIMIT RESTRICTION FOR BUILDING SIGNS IN THE YERBA BUENA CENTER REDEVELOPMENT PLAN RELATED TO TENANT SIGNAGE AT THE METREON SITE LOCATED AT THE NORTHEAST CORNER OF FOURTH STREET BETWEEN MISSION AND HOWARD STREETS: YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1: RESOLUTION NO. 26-2009, GRANTING AN EXCEPTION FROM THE HEIGHT LIMIT RESTRICTION FOR BUILDING SIGNS IN THE YERBA BUENA CENTER REDEVELOPMENT PLAN AND CONDITIONALLY APPROVING THE SCHEMATIC DESIGN FOR PROPOSED IMPROVEMENTS TO THE METREON SITE LOCATED AT THE NORTHEAST CORNER OF FOURTH STREET BETWEEN MISSION AND HOWARD STREETS; YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1; RESOLUTION AUTHORIZING **MEMORANDUM** 27-2009, Α UNDERSTANDING WITH WESTFIELD METREON. LLC. DELAWARE LIMITED LIABILITY COMPANY, FC METREON LLC, A DELAWARE LIMITED LIABILITY COMPANY, AND MISSION HIRING NONPROFIT CALIFORNIA PUBLIC CORPORATION ACTING THROUGH ITS AFFILIATE THE SOUTH OF MARKET EMPLOYMENT CENTER, FOR PERMANENT WORKFORCE PROGRAM REQUIREMENTS AT THE METREON SITE LOCATED AT THE NORTHEAST CORNER OF FOURTH STREET BETWEEN MISSION AND HOWARD STREETS; YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1., BE ADOPTED.

5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speakers: Erris Edgerly, Randall Evans, Ace Washington, Dr. Raymond J. Tompkins

7. REPORT OF THE PRESIDENT:

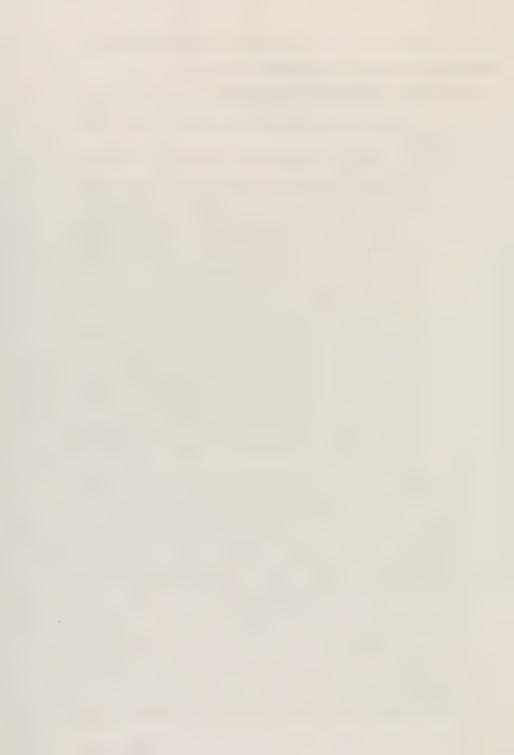
 Thanked his fellow Commissioners and Agency staff for flowers sent to his Father's funeral who passed away a week ago, very much appreciated the two cards signed by staff.



8. REPORT OF THE EXECUTIVE DIRECTOR: None.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

- Commissioner Singh made a motion to adjourn the meeting in memory of Ramon Romero, Sr.
- Commissioner Covington stated that she was glad the meeting would be adjourned in Ramon Romero, Sr.'s honor.
 - Ms. Covington stated that she received calls from Western Addition residents concerned that some people in the community are talking to various branches of city government in the name of the community. Ms. Covington stated that the concerned residents are requesting that there be a group that is empowered to speak for the community during the transition since there is no longer a CAC. Ms. Covington stated that the residents as well as merchants are concerned that those who are meeting with the Mayor and others are not representing their viewpoint. Ms. Covington stated that she would like to discuss the matter at some point and would like the Executive Director to brainstorm with staff on how to make the transition a smooth transition so all voices are heard.
 - Ms. Covington stated, in reference to the first cycle of the grant awards, she was distressed because before she got the information as a Commissioner, the names were leaked as to who had received the grants which caused a lot of turmoil and should not have happened. She stated that there should have been a roll out process that was fair and equitable to everyone so that the people who were not awarded grants would have been notified prior to the information being released, and a press release should have been prepared. Ms. Covington stressed that the second round and any other grants that will be awarded be given all due consideration.
- Commissioner Swig stated, as a member of the Grant Committee, that the goal of the Grant Program is to attract new businesses and to encourage retail activity that provides a needed/desired service within the district in order to increase foot traffic and to create a viable commercial core by providing retail services. jobs, and a safe environment. Mr. Swig indicated that the reason he stated this was because that is the fundamental ground rule that a very hard working committee understood when first entering into the process. Mr. Swig thanked the Grant Selection Committee on behalf of Commissioner Breed and himself. and thanked staff who participated, they kept the Committee focused and on track, provided the support and facilitated their needs when they were trying to get extra information to make good decisions about who should be awarded the grants; he also thanked Urban Solutions for their support. Mr. Swig stated that the Grant Selection Committee was very rigorous in the way they went about selecting the beneficiaries of the grants, and expressed how enriching it was that two of the grant recipients are starting from the grass roots; enriching and entertaining young people who want to make a business for themselves, and stated that was the core value of why the grant program was started. Mr. Swig stated that there is a second round, no applicant thus far has been dismissed



from receiving a grant, all of the remaining applications which were not awarded any funds in the first cycle are being carried over into the second round, if in the second round there are better recipients that are from the first round, those first round recipients will not be precluded from reconsideration of their grant proposals. Mr. Swig echoed Commissioner Covington's identification of the one flaw and stated that it was very clear when they ended their Committee meeting that results were very confidential and would be released in a very direct fashion with a proper protocol being followed. Mr. Swig stated that someone wanted to be a big guy and leak the names and hopes that they recognize the harm that they did to an otherwise very well executed process. Mr. Swig stated that he hopes the protocol is followed next time because it created unnecessary challenges in what he believes was a flawless exercise. He looks forward to round two and asked the Community who are interested to attend the public orientation dates which are scheduled for March 3rd, 5th, and 9th, and participate in the workshops and go forward.

- President Romero thanked both Commissioners Swig and Breed for doing all the extra work and effort which was very time consuming, spoke for all Commissioners in how much they appreciated their hard work.
- Commissioner Breed added that it was a very time consuming process and could not express how much she appreciated the members of the Grant Committee who took so much time out of their schedules, believes she was comfortable with the diverse group of people that represented the Community on the Committee. She also added that they did not always agree on a lot of different issues but all were very passionate about their support for the Western Addition though no one walked away completely satisfied with all of the selections but were satisfied with the process by which they made the selections. Ms. Breed stated that she was very excited about the well deserving recipients of the Grants, there were many great applications from the community and disappointed that she could not support everyone that was on the list. She stated that they did not base their decisions on how well a grant application was written, but on many factors that came into play since ultimately what they wanted was to make sure that the Jazz District receives the support it needs and people who represent what the district signifies based on the significant amount of community input over the years. Ms. Breed stated that she too was disappointed about receiving phone calls prior to making it public and hopes in moving forward that they can come together as a committee and not make the same mistake.
- Commissioner Covington stated that when she was President she asked Commissioner Breed and Commissioner Swig to serve knowing that it would be an arduous task to give each proposal due consideration, and to attend the meetings and orientation sessions so they would know what the potential grantees have heard. Ms. Covington expressed her appreciation for their efforts on behalf of the Commission, the Western Addition, and the City.

10. CLOSED SESSION: None.



and produce certificates of recognition to the members of the CAC on the Mayor's balcony.

- Commissioner Breed stated that a One-Stop will be opening in the Western Addition and asked Director Blackwell if he had any information on it.
 - Director Blackwell stated that the One-Stop has already opened, is bustling, very nice, people working diligently on both sides.
- Commissioner Breed would like to make it clear and on record that she understands what happened in the Western Addition is not one persons fault. a lot of it has been over the years, a huge part of it is the Agency and other dynamic that's come to play, as a Commissioner who has spent her entire life in the Western Addition, she has always struggled with being a Commissioner and trying to do what is in the best interest of the Western Addition and to support the constituency of the Western Addition, and represent the Agency appropriately, and explain why certain things could not be done. Ms. Breed stated that it has been very tough and now that the Redevelopment Agency is not part of the Western Addition, she sees quite a few things that has not been completed. Ms. Breed would like the Agency, if at all possible, is to follow through and while making all the transitions and transfers, she does not want the Agency to close the door, she wants to make sure the sidewalks are finished, work with the Muni Substation, do whatever needs to be completed to the best of the Agency's ability. She stated that the One-Stop will be very beneficial to the Western Addition, and in moving forward, she reiterated that the Agency, in leaving the Western Addition, take care of the Western Addition because she feels that the Agency is not completely finished with the responsibilities and complete whatever needs to be completed.
- Commissioner Romero asked if the appeal for 1450 Franklin were successful, would it come back to the Agency.
 - Director Blackwell stated that was has been appealed is the building permit; it would not likely come back to the Commission because the entitlement process falls under the Planning Department.

10. CLOSED SESSION: None.

11. ADJOURNMENT:

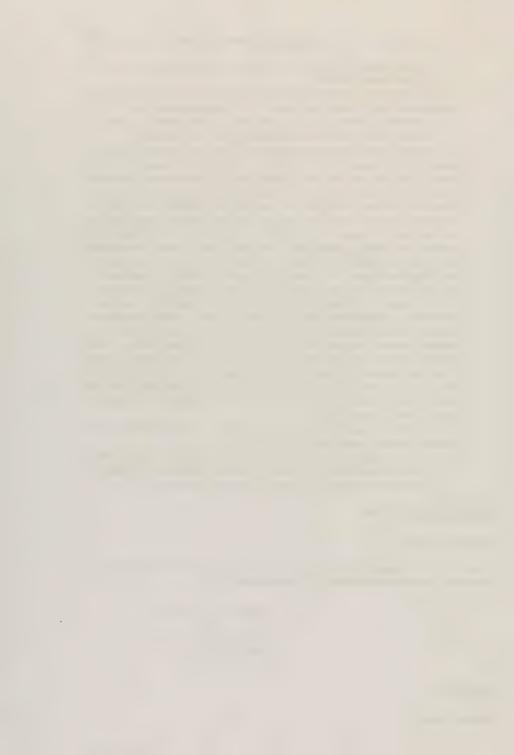
It was moved by Commissioner Covington, seconded by Commissioner Cheu, and unanimously carried that the meeting be adjourned at 6:05 p.m.

Respectfully submitted,

Agency Secretary

ADOPTED:

March 17, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 17th DAY OF MARCH 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 17TH day of March 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President Linda Cheu Francee Covington Leroy King Darshan Singh

GOVERNMENT DOCUMENTS DEPT

And the following were absent:

APR 1 6 2009

London Breed

SAN FRANCISCO PUBLIC LIBRARY

Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- **MATTERS OF UNFINISHED BUSINESS**. Approval of Minutes: Meeting of February 17, 2009



ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, (WITH MS. BREED ABSENT) THAT THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 17, 2009, BE ADOPTED.

4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA

- (a) Approval of Minutes: Meeting of March 3, 2009.
- (b) Resolution No. 28-2009, Authorizing a First Amendment to the Personal Services Contract with the Corporation for Supportive Housing, a Delaware-based nonprofit corporation, for \$35,100, for a total aggregate amount not to exceed \$335,100, through the contract term ending March 31,2009, for as-needed technical assistance services to supportive housing developers and operators; Citywide Tax Increment Housing Program.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED, (WITH MS. BREED ABSENT) THAT THE MINUTES FOR THE MEETING OF MARCH 3, 2009, AS AMENDED, AND RESOLUTION NO. 28-2009; AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH THE CORPORATION FOR SUPPORTIVE HOUSING, A DELAWARE-BASED NONPROFIT CORPORATION, FOR \$35,100, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$335,100, THROUGH THE CONTRACT TERM ENDING MARCH 31, 2009, FOR AS-NEEDED TECHNICAL ASSISTANCE SERVICES TO SUPPORTIVE HOUSING DEVELOPERS AND OPERATORS; CITYWIDE TAX INCREMENT HOUSING PROGRAM BE ADOPTED.

REGULAR AGENDA

(c) Workshop on the Agency's Fiscal Year 2009/10 Budget

Presenter: Amy Lee, Agency Staff; Olson Lee, Agency Staff

Speakers: None

Commissioner Cheu stated that it was interesting to see that the amount was much lower this year in comparison to last year which was unusually high, and asked what has the budget been in the past 3-5 years, and what the percentage of the total work program was compared to previous years.

Mr. Lee stated that the average overall work program is 50%, and in terms of the amount of the work program the average is closer to \$50M; the work program and the opportunities within the project areas to create affordable



housing have increased, therefore, with the surging economy there was available increment but with the economy falling the flow of tax increment has leveled off. Mr. Lee indicated what would happen for the Agency is they would do projects a little later or spend more time to tee up projects in terms of looking for predevelopment for those projects and getting them ready so when the increments are available again, then go back to the Commission to request more money to do the actual construction. What they will be doing during this period is looking at project sites and looking at predevelopment money getting those projects queued up as opposed to doing the big contribution which is the construction and permanent gap financing.

Director Blackwell stated the budget is based on the pipeline and for that reason the Agency submitted a conservative budget resulting with additional tax increment. Mr. Blackwell stated that the Agency would be working closely with the Mayor's office and may have additional housing and infrastructure projects with additional tax increment since it is less of an impact on the general fund when the Agency takes on those projects.

Commissioner Covington asked for more detail on business development and the job training portions of the budget; what they are for and whether they've gone up or down within the last few years.

Ms. Lee referred the Commission to the summary pages by project area to the job training and business development line items which those items are funded in. Ms. Lee stated those two items would be presented in more detail at the next budget presentation by the project managers.

Commissioner Covington asked for more information on the Education Relief Act Fund.

Ms. Lee stated that ERAF is part of the State legislation in order for the State budget to balance their own budget and do not have enough revenues, they need to pay a portion amount to the schools, the legislation allows them to receive monies from Redevelopment Agencies in a package of education relief. Ms. Lee stated that the Redevelopment Agencies have to pay \$5.9M which is due in May to the State.

Ms. Covington asked if there was a court case filed on behalf of the Redevelopment Agencies.

Director Blackwell stated that the California Redevelopment Association filed a lawsuit challenging the legality of the additional ERAF payment which was heard this month but a ruling has not been handed down and does not expect a ruling on this until April.

Commissioner Covington asked for an update on the Central Freeway Parcels.



Mr. Lee stated that Parcel A was developed, completed and operational; Parcel C will be before the Commission at the next Commission meeting to discuss the exclusive negotiations agreement; Parcel G which is the supportive housing development on Fulton went before the Board of Appeals and the Board denied the appeal of the building permit but asked for some findings to be incorporated which has not yet been scheduled to put those findings into their final ruling. Parcel Q's construction drawings were signed by all relevant City Departments and submitted to HUD to begin the process which should occur within the next two-three months and construction would begin which will also include traffic improvements. Staff will consult with the Commission on going forward with a new RFP for either Parcel K & U, dependent upon existing funds.

Commissioner asked for information on Parcels O and P.

Mr. Lee stated that Parcel P is owned by the City and went through an RFP process, Build, Inc. was identified as the developer for Parcel P. Mr. Lee stated that he would contact the Mayor's Office on that parcel and report back with their progress. Parcel O would be the last development and would be done after Parcels U & K because of the size of the development; it would be a function of when the development would fit in because it is a fairly large parcel and would require a large budget request to fund it.

Commissioner Covington asked which parcels are considered to be in the Western Addition.

Mr. Lee stated Parcels A, C and G are part of the Western Addition.

Commissioner Swig asked if there was any risk in the current economic environment of those bond proceeds not proceeding as revenue or are those proceeds coming from existing bonds which have already been sold.

Ms. Lee stated they are coming from future bonds that have yet to be sold and that in prior years the interest rates used was 4%-5%; this current year budget has up to 12% for taxable and 9% for tax exempt interest rates, and are anticipating higher interest rates on the bond proceeds, therefore, anticipating a lower amount of proceeds available. Ms. Lee indicated the taxable market would need to be monitored on a week to week basis.

Mr. Swig asked what would happen if the bonds are not sold or cannot be sold.

Ms. Lee stated some of the projects would have to be re-prioritize, particularly the housing projects. Staff is doing a different approach this year where they will be doing negotiated sales and will be trying to break up the amounts rather than having one large sale of \$100M; they are potentially looking at several sales of \$10M - \$20 and sell to high yield investors rather than big financial corporation's from New York.



Mr. Swig asked for clarification if there were no market for the bonds and some of the projects that are being anticipated for part of the plan, would they then be pushed off until 2010/11.

Ms. Lee concurred.

Director Blackwell stated that this agency is not the only agency in the State that uses this method to finance their work, in addition to looking at what they do for this current fiscal year they will have the benefit of looking at what other agencies are doing in terms of the issuance of their bonds as well.

Commissioner Swig asked what the risk was of breakage on rents and leases.

Ms. Lee stated that rents and leases have been preferential to the lease holder which is in the best interest of the leaseholder; agreements have already been made and incorporated into their budget numbers. Some areas may have had higher developer contributions and the leases may have gone down for the next fiscal year but the net was zero change.

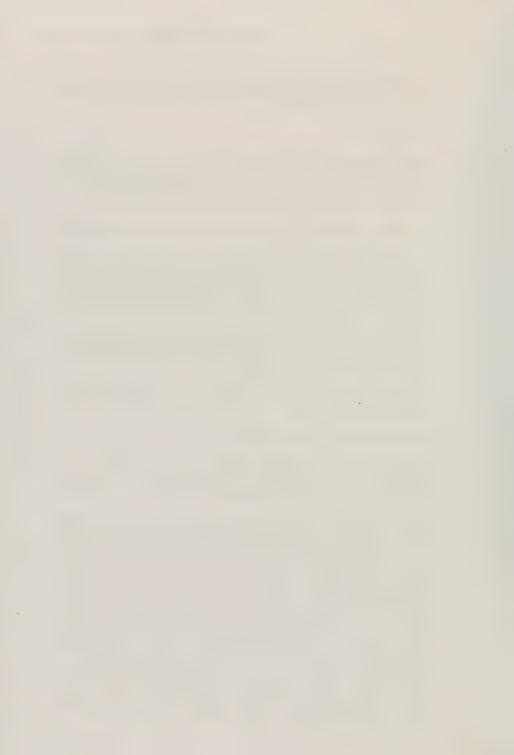
Director Blackwell stated that the highest numbers come from leases in the Yerba Buena area which are solid and does not anticipate any problems with those leases associated with the economy.

Commissioner Swig asked if the revenues from grants would be reduced to conditions beyond our control.

Ms. Lee stated that the numbers are firm.

Commissioner Swig asked what the risk factor was for some of the developers, through no cause of their own, not being able to get anticipated financing which would create a stall of projects.

Mr. Lee stated what they are hearing from the developers is that because there is tighter credit the requirements of both the investors and lenders are tighter. For the low income housing tax credit investors, the yields on those tax credits have dropped dramatically which means the Agency or someone else has to come up with additional funds, generally the Agency because the Agency is the lender at last resort to try to fill that gap. Mr. Lee said that funds going to the tax credit allocating agencies would try to maintain the yield on credits at .85¢. Mr. Lee added that the other program that came out of the stimulus bill was the notion of direct purchase of these credits by the Treasury for a fixed amount of money with the hope that in the future resells the credits. On the lending side, there are only one or two lenders competing, therefore not getting as favorable terms, both in terms of construction financing as well as take out financing. The underwriting requirements for the lenders are more stringent because no one wants to hold the mortgages and everyone is looking to sell the mortgages to the government enterprises - Fannie or Freddie,



therefore, their typical underwriting requirements are more stringent than what local lenders have provided in the past by requiring a larger debt coverage ratio and higher interest rates which increases the gap. Mr. Lee stated that the Agency then is faced with either providing more money to continue the project or not to do it at all; as lenders as last resort, the Agency is looking at that situation both from the debt side as well as the investors side.

Commissioner Swig stated what he is hearing based on the presentation is a realistic budget based on good fundamental planning, and judgment however, at the same time ambitious due to market conditions beyond anyone's control, and stressed that it is important for the public to know that best laid plans may not reach fruition in a timely fashion due to market conditions, and the expectations of the public should not be raised too significantly through no fault of the Agency, and through the fault of market conditions.

Director Blackwell stated there are budget challenges at the State level which impact projects the Agency is working on and adjusting the pace of development rather than whether or not it will occur. Mr. Blackwell indicated that they are being realistic and conservative to plan well and to be ambitious enough to keep momentum not only in terms of project area work but also in terms of following up on the Mayor's commitment to be aggressive in moving forward publicly financed projects that have entitlements that are ready to go to inadvertently create more of a problem in terms of the economic situation by being too conservative.

Ms. Lee added that she wanted to reassure the Commissioners concerns about the revenues and assumptions about grants that she anticipants the grants will be coming in but until they come in, project managers and staff are not allowed to spend against those funds.

Mr. Lee stated the process of bringing projects to the Commission, the money being requested is money already in hand and the question is not whether the projects will be ultimately be built, just the pace of when they will be built. They are projects already in the pipeline within project areas or land the Agency own, the holding costs are modest, the opportunity will not be lost, and it is just a question of the timing of when they will be successfully completed.

Commissioner Singh asked what the procedure for applying for affordable housing for rental or sale.

Mr. Lee stated that generally, there is a mailing as widely as possible of the opportunity to all interested people to them an opportunity to apply for the development. Mr. Lee indicated that an opening of marketing for the 10th and Mission project brought 5,000 people waiting in line for the application even before they did significant marketing. Mr. Lee stated that the process for the initial lease up is conducted by the developer after a very thorough marketing process and a lottery, and then developing a waiting list on the sites for



openings at vacancies for the rentals. For single families, staff manages the resale process and posts the resales on the Agency's website, and is also notified on the Agency's email blast.

Commissioner Singh asked how people are notified if they do not receive emails.

Mr. Lee stated that notices are sent in the regular U.S. Mail, as well as emails, the Agency's website, and co-lists with the Mayor's Office of Housing.

Commissioner Singh asked what the current interest rate for the bonds is and asked when the last time the bond was underwritten.

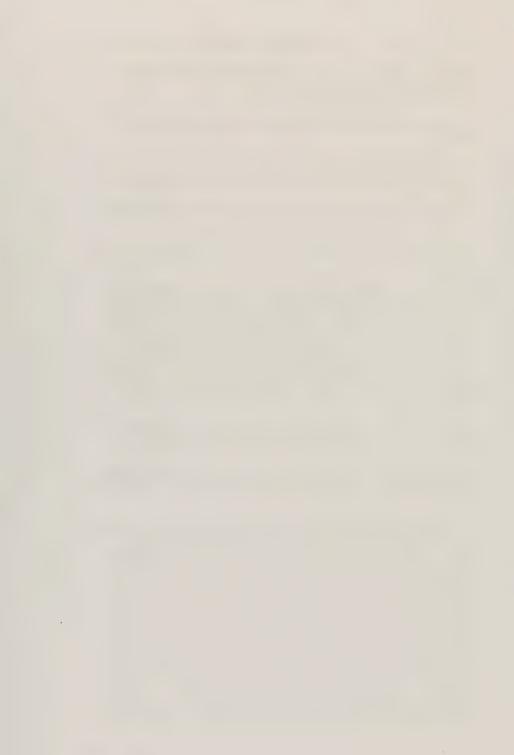
Ms. Lee stated that it is anticipated to be 7%, and was underwritten the fall of last year at 5%.

(d) Resolution No. 29-2009, Authorizing an Amended and Restated Loan Agreement with Martin Luther King-Marcus Garvey Square Cooperative Apartments, Incorporated, a California mutual benefit nonprofit corporation, to increase the loan amount by \$4,000,000 for a total aggregate amount not to exceed \$5,000,000 and to amend other terms of the loan, all related to the rehabilitation of 211 units of low-income cooperative housing; 1680 Eddy Street, within the former Western Addition Redevelopment Project Area A-2; Citywide Tax Increment Housing Program

Presenter: Michele Davis, Agency Staff, Carmen Johnson, Vice President, Board of Director Martin Luther King-Marcus Garvey Cooperative

Speakers: Sharon Jones, Minister LaVonne V. McIntosh, Kendall E. Hobbs, Ulysses J. Montgomery, Carlos Levexier, Daniel Landry, Marva Brooks, Abe Landry, David L. Cooper

Commissioner King stated that he believes someone from the Agency should meet with the two groups and resolve their issues because there are 211 families and something has to be done, he does not know how to correct the problem. Mr. King stated that he remembers that Mr. Ulysses Montgomery had to leave the country because he took all the funds and they ran him out of town, this was when it was first built. Mr. King stated that Mr. Montgomery had to leave the country, came back, and with the assistance of his lawyer tried to recoup the place. Mr. King stated that he met with Mr. Montgomery at Original Joes a few times and Mr. Montgomery talked to him about trying to get the Co-op; Mr. King would not go along with him. Mr. King stated that he would like Mr. Olson Lee or someone from the Agency to meet with the groups to pull them all together because it is important to save the families living there, there are elderly people who have been living there for 40 years or so and they need a place to live. Mr. King stressed that he would not believe what Mr. Montgomery and his lawyer said because it is not true, they



want to make some money and take over and make some profit and sell if off; they tried to get him to go along with them some time ago. Mr. King asked Mr. Carl Williams, the attorney for MLK-Marcus Garvey Coop and Bill Witte from the Related Group or the representative from John Stewart if they had anything to say or try to speak out or have any input into this matter.

Mr. Carl Williams stated that since Sept. 2007, he was retained by the Board of Directors of MLK-MGC to represent them, he has been carrying out the responsibility to assist the Board and get them to the point where they could come up with the development plan to meet the demands from HUD, that if they don't do certain things HUD will cut off Section 8 assistance to that development. Mr. Williams stated that he is not responsible for developing the financing plan, has worked with the Related Company who are under contract with the Board to come up with that plan. He took the proposed development agreement between the Board and Related to the share holders in 2007, and over a two day period of time, the shareholders went to the polls and voted in a majority vote to go along with the development plan from Related and Co. Mr. Williams stated that everything that has been done by the Board, with respect to the development plan, has been done in a properly and duly noticed Board meeting and appropriate shareholders meetings, every meeting has been opened to the public and shareholders, and does not know of any shareholder or any member of the Co-op who have not been fully informed and apprised of every aspect of the development. The relocation plan will have to be approved by the Board of Directors, and when the plan is ready for the Board of Directors to act on, they will have the normal process of noticing the meeting, have the item on the agenda, and allow the shareholders and others to attend the meeting and comment. Mr. Williams stated that the process has been an open and above board process.

Commissioner King put forth a motion to move the item.

Commissioner Swig seconded Mr. King's motion. Mr. Swig stated for clarification purposes, what he understands is the building has been in deep disrepair for quite some time and the impact has been felt by all residents in the building. He understands if there is no compliance to improve the building, HUD will no longer recognize the validity of the building and suspend funding to the building that will give it any chance of sustaining itself for the future, therefore, if the action is not taken the building is almost guaranteed to fall into further disrepair, further blight, and become a micro redevelopment area. Mr. Swig said what he heard is that there is a Board that is legally formed, that the Board meets on a regular basis, has made every attempt to proceed in a legitimate and legal fashion and move the project forward to prevent it from falling into further disrepair and blight, which lead him to second the motion and move forward on the activity.

Director Blackwell stated that he has been in a few meetings with representatives of HUD as well as Supervisor Mirkarimi's office, the Mayor's staff, and Speaker Pelosi's office. Mr. Blackwell noted that HUD's point is



that they will abate the Section 8 for that building for health and safety reasons, they have been poised to do so for some time and have held off on doing so because progress has been made, progress that has not been made in the past with the Board as well with the Developer to come up with a series of steps that show HUD that they are moving in the direction of rehabilitating the property. If HUD was to abate the Section 8, and would do so if momentum is not shown and is documented, the units that currently hold project base Section 8, would no longer hold those project base Section 8 which means the people who currently live in those units will be given Section 8 vouchers, the large majority of those tenants will have homes but not likely in San Francisco. Mr. Blackwell stated from the buildings perspective, there will no longer be revenue stream associated to pay back the loans and will have a situation where someone will have to acquire the site and do the rehabilitation.

Commissioner Covington asked for a show of hands in attendance for the item. She stated there were substantially more people in attendance for the item than spoke for the item, including people who were drafted to speak. Ms. Covington stated that this has been going on for some time and perhaps the reason some people don't show up for the meeting is because they are tired and weary because it's been going on and on. Ms. Covington stated that she is glad there is a motion on the floor and a second so the project can move forward, she agreed with the speaker who said if this was not a legally constituted board HUD would not be negotiating with them or communicating with the Executive Director about the dire straits that the complex is in, and out of the 211 families that are in the complex, a lot of those people who are not in attendance are senior citizens who have problems with mobility and sustaining their interests over the course of many years. Ms. Covington stated that they would be remiss in their responsibilities as Commissioners not to move this forward, that this is an opportunity to retain affordable housing; she looks forward to staff looking at the plans with a critical eye when they are presented. Ms. Covington stated that she was at the Inauguration and one of the sentences that resonated with her most in the President's inaugural address was when he said, "We will extend to you an open hand if you will unclench your fist"; she asked everyone in attendance to unclench their fist and to get together and work it out.

Commissioner Romero stated that he did not think there was any other alternative but to approve the item; the consequences of not rehabilitating would be devastating, he fully supports Commissioner King's motion.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, (WITH MS. BREED ABSENT) THAT RESOLUTION NO. 29-2009, AUTHORIZING AN AMENDED AND RESTATED LOAN AGREEMENT WITH MARTIN LUTHER KING-MARCUS GARVEY SQUARE COOPERATIVE APARTMENTS, INCORPORATED, A CALIFORNIA MUTUAL BENEFIT NONPROFIT CORPORATION, TO INCREASE THE LOAN AMOUNT BY \$4,000,000 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$5,000,000



AND TO AMEND OTHER TERMS OF THE LOAN, ALL RELATED TO THE REHABILITATION OF 211 UNITS OF LOW-INCOME COOPERATIVE HOUSING; 1680 EDDY STREET, WITHIN THE FORMER WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

(e) Resolution No. 30-2009, Authorizing a Revolving Share Loan Program for Limited Equity Cooperatives that serves very low- and low-income first-time home buyers and reallocating \$500,000 in Citywide Tax Increment Housing Funds for the program; All Redevelopment Project Areas and Citywide Tax Increment Housing Program.

Presenter: David Sobel

Speakers: Ulysses Montgomery, Sharon Jones, Minister LaVonne McIntosh

Commissioner Covington referred to the page of targeted use and asked for information about Northridge, Glenridge, and Unity Homes, and how many units each contained.

Mr. Sobel stated that Northridge Coop is located on Hunters Point Hill by Whitney Young and has 330 units; Glenridge has 277 units, Unity Homes has 94 units.

Commissioner Covington stated that the limited equity coop is a good thing to look at but wanted to echo a few speakers in prompting staff and the Board of MLK-MGC to have a conversation about mixed income people at the development. Ms. Covington put forth a motion to move the item.

Commissioner Cheu asked what the turnover was annually for the inventory of these types of units in the City.

Mr. Sobel stated that he did not have that information and would provide the data to the Commission. He surmised that MLK-MGC and Northridge had roughly 15 units at each location over the last 5-7 years, with 32 units currently vacant at MLK-MGC. Mr. Sobel said what is being proposed is a \$500,000 budget allocation to fund the program; if one were to assume that 30 units or so could be assisted at MLK-MGC, and depending on the level of assistance provided to each, there could be anywhere from 30 to 60 additional slots that could be funded through the initial funding. The vision for the program is if there was a greater demand they would come back for additional funding overtime, and if additional funding were not needed they would recycle funds back into the program if there was a need for it, and if there were no need for it they would not continue the program.

Commissioner Cheu asked if this was an area of need in terms of the initial cost outlay.



Mr. Sobel stated yes, that this was brought before the Commission today because it is a companion to the MLK-MGC initiative; if there are 30 vacant units, households may be interested in buying into the program but if they don't have the means to come up the share purchase cash to do so this is one way of enabling them to participate in an opportunity that they could not otherwise be able to participate.

Commissioner Cheu asked how the \$15,000 was derived from.

Mr. Sobel stated that the Mayor's Office of Housing down payment assistance loan program and the Agency's Certificate of Preference second loan program uses a \$25,000 figure, and the amount was lowered to \$15,000 in trying to direct the resource to where it would most be needed.

Commissioner Cheu seconded the motion.

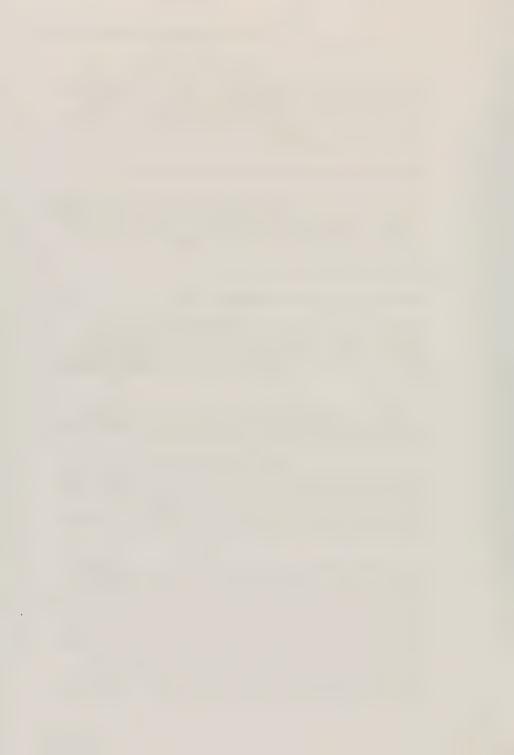
Commissioner Swig asked for the definition of a unit.

Mr. Sobel stated when he refers to a unit he is referring to a physical apartment or space that a person is allowed to occupy in conjunction with purchasing shares into a cooperative rather than actually owning the physical space or unit, as he calls it, a person is given occupancy rights to a particular unit or apartment.

Commissioner Swig asked if it is based on the size of the unit which is defined as an apartment that there are an amount of shares assigned to that unit, and the loan program is based on the number of shares.

Mr. Sobel stated regardless of the cost of the shares or how many shares a homebuyer would try to access, the loan program proposes to support 75% maximum of that share purchase cost itself; it is not a number of shares, it is the dollar value. Mr. Sobel stated that at the MLK-MGC project the information for recent transfers is roughly in the \$4,000-\$6,000 of whatever the total shares are to purchase those occupancy rights.

Mr. Sobel stated there are two templates for share value in limited equity coops; one is based on a person's original share value when they are first purchased and a consumer price index change over time on the value of those shares which escalates at consumer price index. Another scenario is the share value formula is driven by the percentage contribution the share owner has made to the cooperative in paying off the mortgage on the cooperative, if they are paying 1% of the cooperatives mortgage as a whole each year, that dollar amount is tracked, that is their principal pay down they are allowed to recapture when they sell their shares back out, they get their original value they paid for their shares plus any principal pay downs that is attributed to them specifically upon resale.



Commissioner Swig stated that he is in the real estate business and does not understand the program. He stated one of the issues in the low income housing area that he heard tonight related to the previous agenda item and this item is that it needs to be kept simple, there are tenants living in the low income housing who are not particularly sophisticated and may not read the small print and need to keep it simple. Mr. Swig stated he has a problem with the program and will probably have to abstain because he cannot understand it and is problematic for him, if he were one of those residents in the aforementioned housing area he would be very confused.

Mr. Sobel stated, in proposing the program, staff is not authoring or amending in any way the existing bylaws of any of the Co-ops, the confusion expressed relates to the structure of the bylaws of the Co-ops themselves which is not what they are addressing in their proposed program; they are trying to enable people to be able to purchase shares into the cooperatives.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, (WITH MS. BREED ABSENT) THAT RESOLUTION NO. 30-2009, AUTHORIZING A REVOLVING SHARE LOAN PROGRAM FOR LIMITED EQUITY COOPERATIVES THAT SERVES VERY LOW- AND LOW-INCOME FIRST-TIME HOME BUYERS AND REALLOCATING \$500,000 IN CITYWIDE TAX INCREMENT HOUSING FUNDS FOR THE PROGRAM; ALL REDEVELOPMENT PROJECT AREAS AND CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

(f) Resolution No. 31-2009, Authorizing a Second Amendment to the Amended and Restated Letter Agreement with the Mayor's Office of Community Investment ("MOCI") to include Young Community Developers, a community-based organization offering employment development services, and to increase the compensation by an amount not to exceed \$164,151, for a total aggregate amount not to exceed \$1,131,668 for the administration of contracts with five community-based organizations to provide business assistance and employment development services from January 1, 2009 to June 30, 2009; All Redevelopment Project Areas.

Presenter: Angela Heyward, Agency Staff, Stephen Maduli-Williams, Agency Staff

Speakers: David Nguyen, Ramond Gill, Allan Quinton, Emal Wallace, Jim Salinas, Jesse Mason, Carol Tattem, Claude Everharte, Al Williams, Doris Vincent (Note: there were 21 participants from YCD in support of the item with four speaking on their behalf)

Commissioner Covington stated that she was familiar with YCD and happy to hear they have improved their compliance record and have met all of the requirements that are needed for them to continue to receive funding. Ms.



Covington stated that she was also happy to hear there will be a new working group which she has been pushing for, a group that looks at the careers that are coming on line. Ms. Covington stated the need to diversify, particularly in the southeastern side of the City. Ms. Covington put forth a motion to move the item and wished YCD the best of luck.

Commissioner Singh seconded the motion.

Commissioner Swig stated it is very important to support YCD; it is the core of community development if the Agency is to fulfill the initiatives that are before them to maintain employment in the City, maintain employment development for residents of the City, and that organizations such as YCD are needed for processing and prospering. Mr. Swig stated his support of the item.

Commissioner Romero welcomed YCD back and stated that they play a very important role. Mr. Romero addressed the youth in the audience and stated that, though they were not able to speak since there were so many that wanted to speak in support of the program, emphasized that it was very important that they were in attendance so the Commission could see who it affects and who supports these programs. Mr. Romero thanked Mr. Al Williams for being the interim Director and for being President of the Board.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, (WITH MS. BREED ABSENT) THAT RESOLUTION NO. 31-2009, AUTHORIZING A SECOND AMENDMENT TO THE AMENDED AND RESTATED LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF COMMUNITY INVESTMENT ("MOCI") TO INCLUDE YOUNG COMMUNITY DEVELOPERS. COMMUNITY-BASED Α ORGANIZATION OFFERING EMPLOYMENT DEVELOPMENT SERVICES, AND TO INCREASE THE COMPENSATION BY AN AMOUNT NOT TO EXCEED \$164,151, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$1.131.668 FOR THE ADMINISTRATION OF CONTRACTS WITH FIVE COMMUNITY-BASED ORGANIZATIONS ASSISTANCE AND EMPLOYMENT TO PROVIDE BUSINESS DEVELOPMENT SERVICES FROM JANUARY 1, 2009 TO JUNE 30, 2009: ALL REDEVELOPMENT PROJECT AREAS, BE ADOPTED.

Agenda Items 4(g) and 4(h) were presented together, but acted on separately.

- (g) Resolution No. 32-2009, approving a schematic design for improvements to Building 101 at the Hunters Point Shipyard; Hunters Point Shipyard Redevelopment Project Area.
- (h) Resolution No. 33-2009, Authorizing a First Amendment to the Personal Services Contract with Levy Design Partners, Inc., a California corporation, to increase the Contract amount by \$150,000, for a total



aggregate amount not to exceed \$250,000, and to amend the scope of services to include final construction drawings and construction administration support for improvements to Building 101; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff, Wells Lawson, Mayor's Office,

Toby Levy, Architect

Speakers: Doris Vincent, Maria Mayor, Deborah Carrol, Linda Hope

Commissioner Swig thanked Toby Levy for moving forward with a very creative design and asked how old the building was.

Mr. Kaslofsky stated that the building was built in 1943 and added an addition in 1946.

Commissioner Swig asked how long the funds are expected to extend the life of the building.

Ms. Levy stated it would be 50-60 years with permanent improvements.

Commissioner Swig stated that he is very sensitive to having the workers who are working on the building be San Francisco residents. Mr. Swig asked General Counsel Morales if there be a mandate in the resolution that a specific ratio of the workers on the building be San Francisco residents.

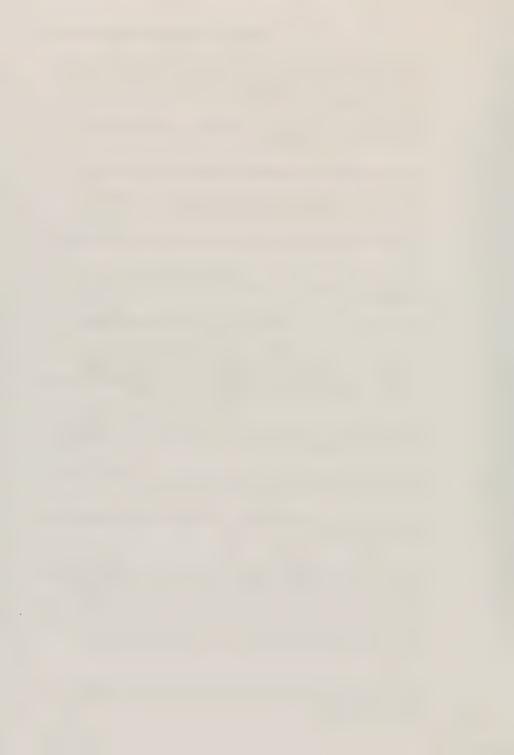
General Counsel Morales stated tracking rules which require that workers be selected from various groups, those requirements would need to be followed that are federally mandated.

Commissioner Swig asked how the local mandates and local administration initiatives would put San Franciscans to work.

General Counsel Morales stated since it is a Federal contract the Agency does not have a lot of leeway.

Mr. Kaslofksy stated the staff is complying with EDA rules, will implement the Agency's EEO program, and outreach to the small contracting community in the Bayview. Mr. Kaslofsky stated that they have an extensive outreach plan which reaches out to the Bayview Resource Center which maintains a list of small contractors in the Bayview, the Mentor Protégé project that has a list of small business contractors in the Bayview; they are reaching out to different non traditional methods of outreach to let people know of the opportunity.

Commissioner Swig asked General Counsel Morales if they could add language in the resolution that encourages the employment of San Francisco residents for the project.



General Counsel Morales stated it can but would preface it to the extent permitted by the Federal Contracting Regulations.

Commissioner Swig stated that he would pass the item with the proviso that a paragraph be added to encourage the employment of San Francisco residents subject to the federal guidelines inherent to the funds.

Commissioner Singh seconded the motion.

Commissioner Romero stated for clarification that the amended motion was to the Personal Services Contract item.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (WITH MS. BREED AND MS. COVINGTON ABSENT), THAT RESOLUTION NO. 32-2009, APPROVING A SCHEMATIC DESIGN FOR IMPROVEMENTS TO BUILDING 101 AT THE HUNTERS POINT SHIPYARD; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, (WITH MS. BREED AND MS. COVINGTON ABSENT) THAT RESOLUTION NO. 33-2009, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH LEVY DESIGN PARTNERS, INC., A CALIFORNIA CORPORATION, TO INCREASE THE CONTRACT AMOUNT BY \$150,000, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$250,000, AND TO AMEND THE SCOPE OF SERVICES TO INCLUDE FINAL CONSTRUCTION DRAWINGS AND CONSTRUCTION ADMINISTRATION SUPPORT FOR IMPROVEMENTS TO BUILDING 101; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

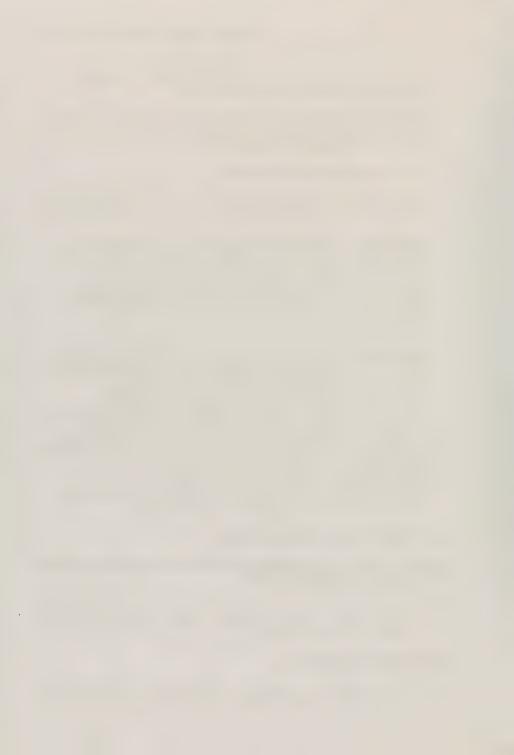
5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speakers: Arnold Townsend, Jim Salinas, Juan Pablo Contreas, Cesar Verstegui, Jose Parra, Jr., Ulysses Montgomery, Sharon Jones, Miguel Gomez, Minister LaVonne McIntosh

7. REPORT OF THE PRESIDENT:

 A meeting with the Committee on the Director's evaluation was held last week with another meeting planned the following week. A form is being



8. REPORT OF THE EXECUTIVE DIRECTOR:

- Director Blackwell stated that today, The Board of Supervisors approved the reprogramming of the Muni Substation funds to the restaurants. Mr. Puccini is working aggressively with the restaurants.
- Director Blackwell stated that the Agency has been working closely with Supervisor Maxwell's office and with the Mayor's Office to convene the community, the general contractors and subcontractors, and will, in the coming weeks, be working and convening labor to talk about how to meet local hiring goals, not only with Agency projects but within the context of the economic stimulus money. He stated that the issue of local hiring is very important to the Mayor, and has been very aggressive in communicating to everyone that commitments be made to the many communities the Agency has been working. Mr. Blackwell stated that the Agency intends to, at all levels, fulfill those commitments and expects everyone the Agency works with will work together to make those commitments real in terms of local hiring.

9. COMMISSIONERS' QUESTIONS AND MATTERS: None

10. CLOSED SESSION: None.

11. ADJOURNMENT:

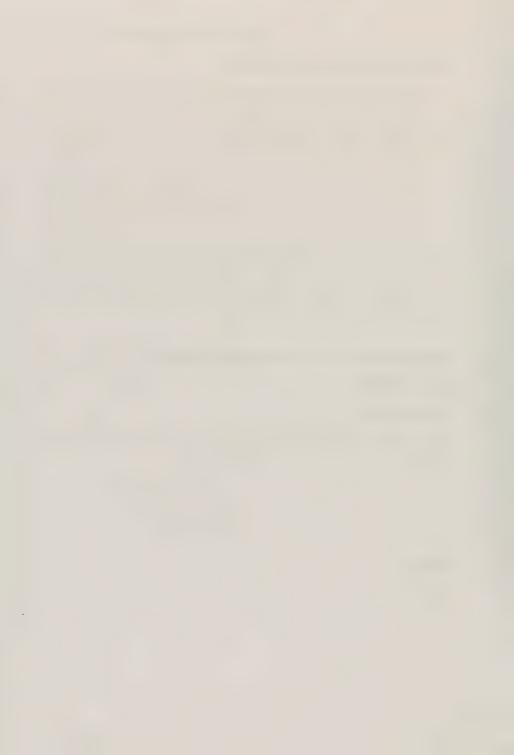
It was moved by Commissioner Singh, seconded by Commissioner King, and unanimously carried that the meeting be adjourned at p.m.

Respectfully submitted,

Agency Secretary

ADOPTED:

April 7, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 7th DAY OF APRIL 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 7th day of April 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King

GOVERNMENT DOCUMENTS DEPT

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And the following were absent:

Darshan Singh

SAN FRANCISCO PUBLIC LIBRARY

Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.

4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA

- (a) Approval of Minutes: Meeting of March 17, 2009
- (b) Resolution No. 34-2009, Amending the Minimum Compensation Policy and the Health Care Accountability Policy to increase the minimum level of compensation and increase the minimum level of heath care benefits that Agency contractors and developers are required to provide to their employees who work on Agency contracts and projects.

ADOPTION: IT WAS MOVED BY MS. CHEU, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED (WITH MS. BREED ABSTAINING FROM APPROVAL OF MINUTES, AND WITH MR. SINGH ABSENT) THAT THE MINUTES FOR THE MEETING OF MARCH 17, 2009, AND RESOLUTION NO. 34-2009, AMENDING THE MINIMUM COMPENSATION POLICY AND THE HEALTH CARE ACCOUNTABILITY POLICY TO INCREASE THE MINIMUM LEVEL OF COMPENSATION AND INCREASE THE MINIMUM LEVEL OF HEATH CARE BENEFITS THAT AGENCY CONTRACTORS AND DEVELOPERS ARE REQUIRED TO PROVIDE TO THEIR EMPLOYEES WHO WORK ON AGENCY CONTRACTS AND PROJECTS AND BE ADOPTED.

REGULAR AGENDA

(c) Budget Workshop II

Presenters: Amy Neches, Lisa Zayas-Chien, Tom Evans, Thor Kaslofsky, Kelley Kahn, Mike Grisso; all Agency Staff

Speakers: Ernest H. Urquhart, Kathleen Brown, Helen Sause, Rodney Williams, Audrey Yamatoto, Arturo Riera, Paige Scott, Ken Foster, Ace Washington

Commissioner Swig asked if any sections of the budget were vulnerable to general city budget cuts.

Ms. Amy Lee stated that the current budget does impact the general fund as it shows a \$5 million increase of gross tax increment that will be drawn down, and the overall General Fund impact will be \$54 million. There is a possibility that the City will ask the Agency to reduce the budget to reduce the impact to the General Fund, the Agency will then have to look at all the project areas and see what reductions can be made or determine the variable amount of bond proceeds to reduce the General Fund impact.

Commissioner Swig asked how much the current economy affects the speed of the implementation of new buildings, and what is vulnerable.

Ms. Neches stated that funding for affordable housing, planning, workforce, as well as loans for the retail façade improvements are going forward and are pretty steady. In terms of major investments, the budget shown in terms of leverage investment has dialed back significantly. Visitacion Valley is secure based on UPC's agreements with their funders, and they must go forward with that remediation spending. The Phase One infrastructure will be going forward, as well as the Shipyard vertical which will start in November. The Mission Bay vertical construction number of \$70M is much lower than it has been in some years past, it is mostly projects that are already underway and are expected to continue.

Commissioner Swig asked if projects that have been approved in Mission Bay have been stalled or slowed due to the economy.

Ms. Neches stated that there has been essentially a stop in residential construction, with residential projects that were well underway are all finishing up. There are two new rental projects that have just finished and are starting their rent-up, One in Mission Bay South by Urban Housing Group, Estrada, and the third, Avalon Bay project. New Market rate residential projects are not starting; one project finished its foundation work and stopped because they could not financially go forward. Ms. Neches stated that there are no new residential starts next year. There is one bio-tech building just being built that has been leased, another is a major facility being built for Pfizer which is framed up and expects them to continue; there are two large garage structures well under construction, and UC is in the middle of two projects of their own. Ms. Neches indicated that they would not expect new private construction in Transbay, anticipates entering into a Disposition Agreement for Block 8. Ms. Neches pointed out that overall; the residential is the most vulnerable.

Commissioner Swig stated that he did not hear mention of the Fourth and Folsom project.

Ms. Neches stated that the project was approved for renovation and have not been able to move forward since they are not able to get financing at this point; however, they are in discussions with the City in revamping the project into a more ambitious project.

Commissioner Swig stated that given that the overall project will be closing December 31st, is there any anticipation that the Fourth and Folsom project will be under the watch of the Redevelopment Agency or Planning.

Ms. Neches stated that it is anticipated that any other development than what has already been approved would be entitled through the Planning Department.

Commissioner Swig asked that there be a change in how the project is referred to on 706 Mission due to the fact that nine months ago there was a resolution that was passed on the cultural facility portion of 706 Mission St. Mr. Swig stated that at that time it was the resolution of the Commission that the Mexican Museum was offered a period of time to get their act together and live up to certain requirements, and if they did not live up to their end of the bargain that project would not necessarily be restricted to the Mexican Museum. Mr. Swig pointed out that it was now nine months later, and there has been significant nonperformance, redundant default by the Mexican Museum. Mr. Swig stated that it is very important that when the Commission takes any position that they are going to hold any organization accountable for their performance, that when that organization defaults, when it does not perform, that that organization be held accountable for their non-performance or the Commissions credibility as a Commission, and as the organization, of the Redevelopment Agency, reflects on the integrity because the citizenry looks at the Commission as setting the rules and hold people accountable for those rules. Mr. Swig stated if the Commission turns a blind eye to what has already been resolved, he believes that is inappropriate behavior. Mr. Swig hopes that the Mexican Museum is part of the 706 Mission Street project but asked that from this point forward to refer to it as the cultural entity of 706 Mission since the Mexican Museum has defaulted and is in breach of the resolution that was passed by the Commission. Mr. Swig stated that he hopes the Mexican Museum is successful, and hopes that the 706 Mission Street project does move forward and that there is a cultural entity within 706 Mission.

Commissioner Swig stated there was a lot of energy about the trust, and admiration about the performance of the Redevelopment Agency in asset managing the Yerba Buena Center. Mr. Swig stated that he will suggest under number nine of the agenda that the Commission schedule its annual retreat and suggests as part of that retreat that the Commission take up the discussion of the future of the Yerba Buena Center trust asset management's current structure, and evolution at that time; Mr. Swig would like to have further discussions with the Executive Directors of various cultural institutions as well as the Commission and professional staff at the Agency.

Ms. Neches stated that she felt that she did not fulfill her obligations of communication; she had not anticipated that the budget would raise the level of concern as expressed by the constituents. Ms. Neches stated that they are in the very early stages of trying to figure out what the correct steps are what the appropriate governance structure may be, and possibly leave things as they are. There are no answers yet as to who would be on the Trust, or if that is the correct governing structure. The initial anticipation on staffing as discussed is that the best way to staff it for the next few years would be as exactly as it stands through a cooperative agreement such as PIDC where, although it is a separate legal entity, it contracts with Agency staff. Ms. Neches stated that the purpose is to preserve what is already on hand and not in any way to destroy it. Staff is at the preliminary phases of exploring what the options are. Ms. Neches stated that she

has been talking to people around the country for the past few months to try to learn what the best practices are, what models there are, what she discovered and reinforces is that Yerba Buena Center is a unique place; there is no other place like it in the country. Ms. Neches credited Ms. Helen Sause who was the Project Manager for the Yerba Buena Center, and stated that there will be a need of unique and well thought out solutions. Ms. Neches committed that they will be well thought out and well vetted with members of the Yerba Buena Community. She has not had the level of outreach since she does not have preliminary options or enough information of what possible legal structures are in order to have meaningful dialogues. Ms. Neches said that this would be decided over the course of months, if not well over a year before anything happens; they are very much in the beginning stages. Ms. Neches believes there should be some funds spent on legal consulting to make sure if different structures are studied they understand them and understand how to protect their assets and how to set it up before they make any decisions. The point of the \$500,000 is that a small portion of that may be spent for the study and to make sure the recommendations that are ultimately considered appropriate. The remainder of the money would be, should there be a separate structure, is to make sure there are funds to capitalize it and make sure it has its own internal operating reserve; it is not meant to waste money on studies.

Commissioner Swig asked when the agreement with the developer at Visitacion Valley would be signed and what happens with the design, when do negotiations take place between the Redevelopment Agency and the developer to make sure the design that was approved is carried through.

Mr. Tom Evans stated negotiations have begun with Universal Paragon staff and Brownfield mediation partner, they are meeting on a weekly basis discussing site preparation issues and working on the path towards entitlement. Mr. Evans hopes to have an owner participation agreement within the next eighteen months to bring before the community, the CAC and the Commission. Based on the building permit issued recently, they are required under DTSC order to have the first phase of cleanup done eighteen months from this date.

Commissioner Swig asked if the bus terminal at Transbay was part of the Redevelopment Agency jurisdiction.

Mr. Grisso stated that the Agency is not funding the bus terminal; it is under construction by the TJPA and not Agency funds. Mr. Grisso stated that once the temporary terminal is no longer needed, it would be redeveloped as housing and open space.

Commissioner Breed inquired as to page 39 of the budget – rent leases, net operating income from 606 leases for \$139,000 – where does that specifically come from.

Mr. Kaslofsky stated that comes from the tenants; Citywide swat team and crime lab pay rent.

Commissioner Breed stated the budget did not provide enough details of where the revenues came from other than a list of tax increment, and lumped items into different categories. Ms. Breed stated that in the presentation component there was a mention of funding for MoAD and other cultural facilities and the budget listed \$1.2 for MoAD and Jessie Square Garage but there seemed to be some discrepancy and it was not clear since the budget narrative did not contain detailed information.

Ms. Neches stated that the \$2M for MoAD and other cultural facilities is broken up on page 11 of the budget into \$1.2M under the category "Other" which has MoAD as \$1.2M and Jessie Square Garage reimbursement at \$1M; the other \$800,000 is being proposed for other possible cultural facilities which may need funding in the next year, and is embedded in the public improvement section because it is expected that it would be potential capital accounts.

Commissioner Breed asked that more specific information be added to the summary since the Yerba Buena Center operating trust has details with plans and MoAD and other cultural facilities not having any detailed information. Ms. Breed stated that the Commission is being asked to approve \$500,000 to explore the possibility of a trust and there has not been any talk prior to the budget nor any examples provided to them to help them understand, nor any community input.

Ms. Neches stated for clarification, that the \$500,000 would go into the budget but cannot come out of the budget without prior Commission approval. Ms. Neches stated that since this is the last year in which they can get tax increment to budget the funds, she anticipates a small amount of that money would be used to study the issue to prepare recommendations for the Commissions consideration. Ms. Neches stated that the Commission would have to make some choice as to the future management of the assets in Yerba Buena. Ms. Neches stated that they are in the very beginning stages of exploring the issues and before the Commission is asked to make any decisions, they will be provided with full information about the issues and options. Ms. Neches indicated as they develop better information, staff will meet individually and collectively with all the constituents, neighbors, and tenants.

Commissioner Breed asked that staff explore different options and other examples of a public trust, and stated what the problem was with leaving things the way they are, what are the legalities around that, and helping the Commission understand why they would need to switch over to a trust.

Ms. Neches stated briefing materials would be prepared in looking at all the issues.

Commissioner Breed asked if Park and Rec was looked at as an opportunity.

Ms. Neches stated that Ms. Sause referred to events of many years ago, and does not believe turning the management of Yerba Buena Gardens over to Park and Rec is not an appropriate option. Ms. Neches stated that she would discuss this matter further.

Commissioner Breed asked if in the meantime since there is no Assistant Project Manager, if Ms. Neches was going to finish and work on Yerba Buena for the duration of the six months.

Ns. Neches stated that she is the Project Manager, there is adequate staff for Yerba Buena, Ms. Pickering being quite involved in managing the assets, development services staff involved in managing the leases; staff is working on a very long term detailed Performa for both the operating and capital accounts for the project to make sure that as they move forward toward looking at options and decisions on the structure, there will be a good handle on what the long term financial picture of the project is. Ms. Pickering is quite involved in managing the assets and works closely with all the constituents in Yerba Buena. Ms. Pickering is currently working on a new management contract for the Yerba Buena Gardens which expires at the end of June, which will then be before the Commission within the next month or two.

Commissioner Breed asked for clarification on money for employment - \$800,000 was mentioned in the budget as going to Mission Hiring Hall and Renaissance, and at the end of the presentation it was mentioned that the amount was \$600,000.

Ms. Neches stated that the remainder of the money is listed under the neighborhood economic revitalization. Renaissance receives \$160,000 a year.

Commissioner Breed asked that the Commission be provided with an update on the status of the Mexican Museum. Ms. Breed asked that they also be provided with a written update on Bindlestiff since it has been some time since funding was approved for them two years ago, and during the presentation she heard they were waiting for a loan.

Mr. Grisso stated that staff has reached an agreement with Bindlestiff and will be bringing that agreement for Commission consideration within the next two months; they are not waiting for a loan.

Commissioner Breed stated that the \$400,000 for workforce in the Bayview is not enough, recalled that about a year ago discussions on other jobs be taken into consideration as it relates to workforce and no one has followed through. She does not want to move forward in the Bayview with job opportunities just in construction. She stated that Ms. Covington had previously mentioned real estate opportunities and other possibilities members of the Bayview community have expressed in job placement. Ms. Breed stated when moving forward into the Bayview, she would like staff to look into other workforce development opportunities, and to reconsider the budget for workforce since she believes there was not sufficient money being budgeted.

Mr. Maduli-Williams stated that staff is working closely with the Mayor's Office of Workforce and Economic Development but the reality at the present time is that the infrastructure is broken. As multiply projects begin to come on line, CBO's and other partners will have the ability to have the impact staff would like from the workforce development standpoint. A joint RFP with the Agency and the Mayor's Office will be presented to the Commission in May which will focus on job opportunities in two areas: construction, and retail. Those are the two sectors for the next fiscal year that are being focused on with the notion of building a model that can add more sectors as they bring more training providers on line who can do the work and prepare people for different sectors. An additional \$400,000 will be added to the Southeast for workforce development and CDBG funds from HUD.

Director Blackwell stated that staff has been working very hard in making sure the Agency is not the only contact for workforce development; they have been working very closely with the Mayor's Office Economic and Workforce Development along with trying make the One Stop a more effective place for employment opportunities.

Commissioner Breed supports the collaboration effort, and would like people to have opportunities, but does not see that happening with the One Stops. She would like more attention and care to ensuring the residents of the Bayview as well as residents in San Francisco who are utilizing the One Stops for employment opportunities, receive those employment opportunities.

Commissioner Covington referred to the administrative budget, page 67, asked about security services, telephone, offsite records storage, she sees a fivefold increase.

Ms. Amy Lee stated that security services at One South Van Ness were increased; offsite record storage is a reflection of Agency staff cleaning their offices and moving those papers to storage to implement the scanning process, and an increase in storage space reflected the increase in that line item. There will be a reduction in these lines items in the future.

Commissioner Covington asked about Commissioners Fees and related expenses.

Ms. Lee stated that certain items were not being accurately budgeted.

Commissioner Covington asked that there be a separate Commissioners budget.

Commissioner Covington asked if there was any particular reason why the Agency's legal staff would not be able to come up with Trust ideas.

Ms. Neches stated that she has been in discussions with General Counsel Morales and Director Blackwell on the matter and indicated that it would be helpful to consult with formation counsel who specialize in the formation of certain types of

public benefit and nonprofit corporations to ensure that staff is exploring their options appropriately and any decisions being made are being done correctly.

Commissioner Covington asked what happens to the Western Addition staff.

Director Blackwell stated in reference to the Western Addition and India Basin project areas, they are in the process of reassigning staff to other components of the work of other projects they are engaged in The sun setting of the work in the Western Addition corresponds with the ramping up of the work in the Bayview Hunters Point and it is anticipated that the Western Addition Project Management staff will be helping out on getting the work off the ground and working aggressively in Bayview. Staff of the Western Addition has been budgeted through the end of the fiscal year.

Commissioner Covington stated that she agrees wholeheartedly with Mr. Swig's comments about referring to the 706 Mission as the cultural entity at 706 Mission and encouraged her fellow Commissioners and staff to concentrate on the particular project since, by State law, the Agency will have to leave Yerba Buena, and asked that the project not be left undone. Ms. Covington stated that, in addition to the Commissioners retreat, she would like to have a wrap up meeting for the community and the rest of the City family as to what projects have been done, what projects will be transferred to other entities within the City family.

Commissioner Cheu stated that she enjoyed the leverage investment chart in the presentation which tells a great story when you think about the economic impact through the Agency's dollars and emphasizes the workforce development issue. Ms. Cheu thanked staff, expressed that it was a great presentation, understands it's taken a lot work and stated that she appreciates how highly qualified agency staff are.

Commissioner King inquired as the status of the Western Addition staff.

Director Blackwell stated that the Western Addition staff is budgeted through the end of the fiscal year; staff is being reassigned to other project areas.

Commissioner King stated that there was no mention in the budget of the reassignments and inquired as to the Agency's Legal staff.

Director Blackwell stated that all the positions within the agency are listed in the budget with a narrative associated with the administration. Mr. Blackwell also stated that legal staff is heavily involved in a vast body of work having to do with CEQA to following up with the various contracts, negotiating various agreements and resolutions, and other assignments that requires a solid team of attorneys.

President Romero stated that as Commissioner for the past ten years he has rarely seen the type of opposition in this type of a workshop to an item on the budget and seems that it would be very controversial if it goes forward. Mr. Romero read "YBG Trust and planning capitalization \$500,000", and in the budget detail on page ten the paragraph in bold which entitled "Yerba Buena Operating Trust",

Mr. Romero asked if that was the same trust being discussed. Mr. Romero stated that the very last sentence in the narrative states, "In this last year of tax increment funding, the Agency is requesting \$3.5M to establish the trust and provide needed funds so the trust will be able to meet its capital operating obligations into the future."

Ms. Neches referred to the chart on page 19, the \$3M is intended to reinforce the capital reserve in a separate account whether or not it turns into a trust structure or stays as a separate account, the intention is looking at a 15 year proforma for operating and capital costs in Yerba Buena, there are some significant capital deficits projected.

Commissioner Romero stated that he fully supports the \$3M reserve in the budget for those purposes but the problem he has is that the sentence presumes that the trust is being established.

Ms. Neches indicated that she misstated that in the summary; whether or not there is any change in the organizational status of the separate account, she believes that the need would be to replenish the capital reserve portion of the separate account by \$3M to make sure it does not go into deficit in the next few years.

President Romero stated that he would like further information, is not objecting to spending \$500,000 to study, but expressed that the idea was poorly planned because the message he's hearing from the speakers was "don't do it". Mr. Romero indicated that when there are statements as those expressed at the meeting on a document the Commission is to vote on and approve, he understands why they feel uneasy. Mr. Romero indicated that staff has to be careful going forward about the approach; there is a lot of community outreach to do.

Commissioner Cheu asked that staff revise the summary in funding the trust in separate account for clarity.

Director Blackwell recognized John Daigle and Amy Lee's work on the budget; it was their first year working on the budget since Mario Menchini's retirement.

PRESIDENT ROMERO ASKED FOR A FIVE MINUTE RECESS

(d) Resolution No. 35-2009, Authorizing a Personal Services Contract with the Corporation for Supportive Housing, a Delaware nonprofit corporation, for a total aggregate amount not to exceed \$300,000, for a term beginning April 8, 2009 and ending April 7, 2012, for as-needed technical assistance services to supportive housing developers and operators; Citywide Tax Increment Housing Program.

Presenter: Chris Harris

Speakers: None

ADOPTION: IT WAS MOVED BY MS. CHEU, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED (WITH MR. SINGH ABSENT), THAT RESOLUTION NO. 35-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH THE CORPORATION FOR SUPPORTIVE HOUSING, A DELAWARE NONPROFIT CORPORATION, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$300,000, FOR A TERM BEGINNING APRIL 8, 2009 AND ENDING APRIL 7, 2012, FOR AS-NEEDED TECHNICAL ASSISTANCE SERVICES TO SUPPORTIVE HOUSING DEVELOPERS AND OPERATORS; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

(e) Resolution No. 36-2009, Conditionally approving the combined Basic Conceptual and Schematic Designs for residential projects on Blocks 50 and 51 at Hunters Point Shipyard; Granting a density Bonus for Blocks 51 and requiring one additional affordable housing unit in Phase 1; and Adopting Environmental Findings pursuant to the California Environmental Quality Act; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff, John Innes, Ian Borchall

Speakers: Marcia LeWinter, Christine Enea, Michael Hamman, Willie B. Kennedy, Al Norman, Rhody McCoy

Commissioner Covington congratulated all on their work and expressed her appreciation to the CAC for meeting diligently in getting the project to this point. Ms. Covington reference Block 51, and stated that the Donahue entry looks prison like.

Mr. Borchall stated that he did not agree with Ms. Covington, the issue has been brought before them; they are in the process of changing the design that is more welcoming.

Commissioner Covington referenced Block 50, page A1.4, stated the windows for the Townhomes are low, and asked about safety issues.

Mr. Innes stated that the glass would need to be tempered and all safety issues will be taken into consideration to ensure the safety of the tenants.

Commissioner Covington asked if there was any consideration in elevating the building entirely so tenants on the ground floor do not feel vulnerable.

Mr. Innes stated that the building Ms. Covington referred to is an ADA unit; both ends of each building are designated with the first floors for persons with disabilities. Mr. Innes stated that some homes adjacent to the sidewalks, depending on the slope, have no steps, some have three or up to six steps (with railing) leading towards the entrance way. They will be working with the Civil engineer to determine the configuration of the needs of steps for each home.

Commissioner Covington asked if there has been any discussion on Universal Design.

Mr. Innes stated that they do multi-family housing which the majority of their projects are flats and 100% accessible to persons with disabilities. They will follow the California Building Code where 10% of the units will have an accessible first floor, and on those floors they will have the universal design concept.

Commissioner Covington asked if there has been a traffic analysis update since 1999.

Mr. Kaslofsky stated that there has not been a traffic analysis update since 1999 the EIR team is currently looking into the traffic analysis. Mr. Kaslofsky believes that the S curve and the width of Innes fill the need for the stadium. The traffic engineers will be studying over the next eight months to look at what the appropriate traffic arteries for that area are.

Commissioner Covington stated that she agreed with the members of the public who mentioned connecting the project with the existing community. Ms. Covington put forth a motion to move Agenda Item 4(e).

Commissioner Breed expressed her concern that Townhomes are not accessible, she understands the accessibility in terms of the first floor - with someone with disabilities not being able to get to the second floor, it is not accessible. She asked that the Agency take accessibility of Townhomes into consideration with projects planned for development at the Hunters Point Shipyard. Ms. Breed stated that units currently being built that are 449 square feet, she does not agree with. She stated that she approves the designs but not the size of the units and should seriously be taken into consideration, as well as transportation issues.

Commissioner King seconded the motion.

ADOPTION: IT WAS MOVED BY MS.COVINGTON, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (WITH MR. SINGH ABSENT), THAT RESOLUTION NO. 36-2009, CONDITIONALLY APPROVING THE COMBINED BASIC CONCEPTUAL AND SCHEMATIC DESIGNS FOR RESIDENTIAL PROJECTS ON BLOCKS 50 AND 51 AT HUNTERS POINT SHIPYARD; GRANTING A DENSITY BONUS FOR BLOCKS 51 AND REQUIRING ONE ADDITIONAL AFFORDABLE HOUSING UNIT IN PHASE 1; AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speaker: Ace Washington

- 7. REPORT OF THE PRESIDENT: None
- 8. REPORT OF THE EXECUTIVE DIRECTOR: None

9. **COMMISSIONERS' QUESTIONS AND MATTERS:**

- Commissioner Swig put forth a request to schedule a Commission Retreat in late May/June and that the Commission Secretary circulates a list of potential dates.
- 10. <u>CLOSED SESSION</u>: (a) Pursuant to Section 54597 (b) (1) of the Government Code regarding personnel matters: evaluation of performance of the Executive Director.

Commissioner King requested that the Closed Session be held over to the next meeting due to Commissioner Singh's absence due to his Mother's passing; Mr. Singh is on the evaluation committee.

President Romero stated, out of respect for Commission Singh that the closed session be held over to the following meeting.

Commissioner Covington expressed her condolences to Commissioner Singh, and his family; recommends that they continue with the closed session because she serves on the committee with Commissioner Romero and Singh; the closed session is the first step of the process, not the evaluation.

President Romero entertained a motion to postponement, he deeply respects that each Commissioner participate in the entire process, and particularly since Commissioner Singh is in a time of mourning that the Commission should give consideration to that.

Commissioner Swig seconded for a postponement.

MOTION: IT WAS MOVED BY MR.KING, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED THAT THE CLOSED SESSION BE CONTINUEDTO THE NEXT REGULARLY SCHEDULED COMMISSION MEETING.

11. ADJOURNMENT:

It was moved by Commissioner King, seconded by Commissioner Swig, and unanimously carried that the meeting be adjourned at 9:05p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED:

MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 21ST DAY OF APRIL 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 21ST day of April 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Leroy King Darshan Singh

GOVERNMENT
DOCUMENTS DEPT

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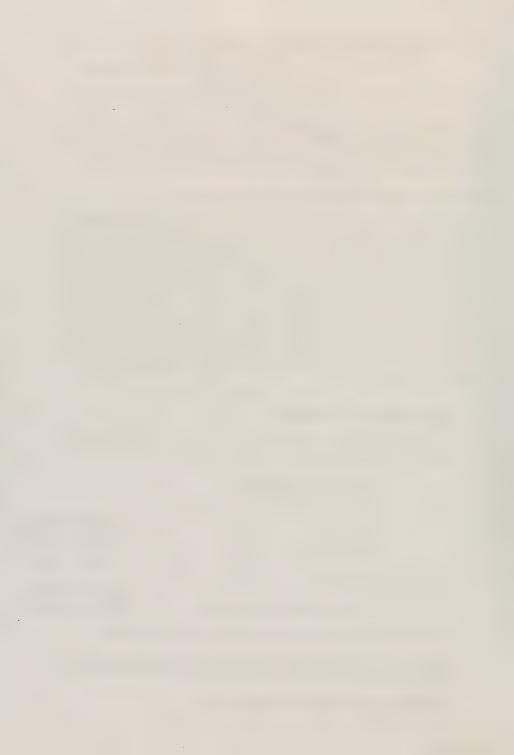
And the following were absent:

Francee Covington – arrived at 4:05

SAN FRANCISCO PUBLIC LIBRARY

Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.



4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA

- (a) Approval of Minutes: Meeting of April 7, 2009.
- (b) Resolution No. 37-2009, Amending the Model Block Rehabilitation Loan Program to clarify the allowable use of loan funds, establish asset eligibility criteria, and raise the maximum eligible income to 120% of Area Median Income; Bayview Hunters Point Redevelopment Project Area.
- (c) Resolution No. 38-2009, Authorizing a Second Amendment to the Exclusive Negotiations Agreement with Michael Simmons Property Development, Inc., a California Corporation, to extend the term 14 months from May 8, 2009 to July 8, 2010, for the development of 32 low- and moderate- income first-time homebuyer housing units at 1345 Turk Street; Citywide Tax Increment Housing Program.

President Romero pulled Agenda Item 4(c) from Consent due to public comment.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED (WITH MR.SINGH ABSTAINING FROM THE APRIL 7, 2009 MINUTES), THAT THE MINUTES FROM THE REGULAR APRIL 7, 2009; AND, RESOLUTION NO. 37-2009, AMENDING THE MODEL BLOCK REHABILITATION LOAN PROGRAM TO CLARIFY THE ALLOWABLE USE OF LOAN FUNDS, ESTABLISH ASSET ELIGIBILITY CRITERIA, AND RAISE THE MAXIMUM ELIGIBLE INCOME TO 120% OF AREA MEDIAN INCOME; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

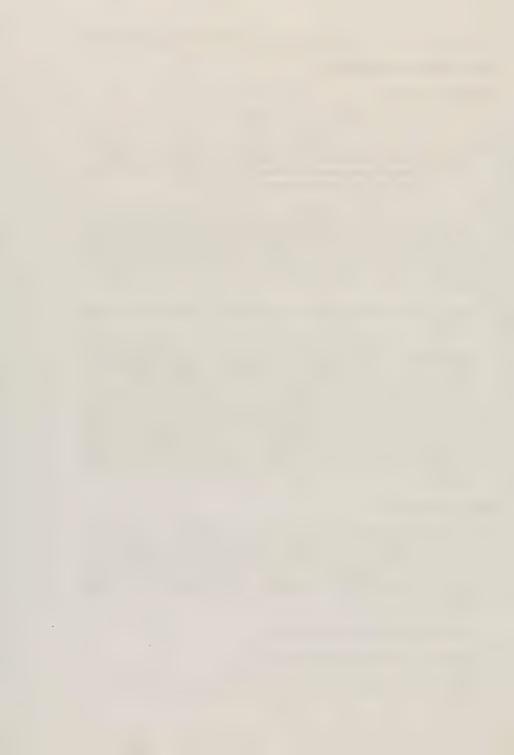
REGULAR AGENDA

(c) Resolution No. 38-2009, Authorizing a Second Amendment to the Exclusive Negotiations Agreement with Michael Simmons Property Development, Inc., a California Corporation, to extend the term 14 months from May 8, 2009 to July 8, 2010, for the development of 32 low- and moderate- income first-time homebuyer housing units at 1345 Turk Street; Citywide Tax Increment Housing Program.

Presenter: Michele Davis, Agency Staff

Speakers: Ace Washington, Randall Evans

Commissioner Covington asked what the nature of the 14 month delay was.



Ms. Davis stated that the developer had completed the process on the schematic drawings and unbeknownst to anyone, they did not know there was going to be a significant change on the adjacent property that was going to impact the 1345 Development. Ms. Davis indicated that the design of the podium level garage being a very expensive proposition, the thought was that it would be best to scale back the garage to the needs of the development given there is parking in the neighboring area for the ultimate reuse for the substation. Ms. Davis stated that the extension was also an opportunity to look at ways of making the project more sustainable for the community.

Commissioner Covington stated her support of the project and made a motion to move the item

Commissioner Swig seconded the motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 38-2009, AUTHORIZING A SECOND AMENDMENT TO THE EXCLUSIVE NEGOTIATIONS AGREEMENT WITH MICHAEL SIMMONS PROPERTY DEVELOPMENT, INC., A CALIFORNIA CORPORATION, TO EXTEND THE TERM 14 MONTHS FROM MAY 8, 2009 TO JULY 8, 2010, FOR THE DEVELOPMENT OF 32 LOW- AND MODERATE- INCOME FIRST-TIME HOMEBUYER HOUSING UNITS AT 1345 TURK STREET; CITYWIDE TAX INCREMENT HOUSING PROGRAM.

(d) Resolution No. 39-2009, Approving the proposed budget for the period July 1, 2009 through June 30, 2010 and authorizing the Executive Director to submit the Budget to the Mayor's Office.

Presenter: Amy Lee, Agency Staff

Speakers: Helen Sause, Ace Washington

Commissioner Covington asked for more detail on the general fund request.

Ms. Lee indicated that supplemental appropriations were done where the Agency took over some funding from the Mayor's Office of Housing and used Bond proceeds (Tax Increment) which relieved the General Fund liability of funding those projects; where there is savings and where appropriate, consistent with the California Redevelopment Law. Ms. Lee stated that there has been communications with the Mayor's Office to see if it is appropriate use of Redevelopment Funds to fund some general fund activity or projects that could minimize the General Fund.

Commissioner Covington stated that she was glad to see additional funds added for workforce development for the Bayview. Ms. Covington asked for additional information on the feasibility study and the cost of the study.



Mr. Stephen Maduli-Williams stated that the new tax market credit is a program run out of the US Dept. of Treasury; the program is a tax credit that is available for investors who invest in low income rural areas and urban cities throughout the country. The program has been in effect for five years, similar to the low income housing tax credit. Staff has been in discussions with the Mayor's Office about doing a joint application which would result in \$100M in tax credits which would generate about \$67M in cash to invest in low income areas throughout San Francisco. Mr. Maduli-Williams stated that it would entail creating a non-profit subsidiary to manage and apply for the credits. The first step would be whether this is something the Agency would like to do, the second step would be to prepare a workshop for the Commission to discuss both the risks and rewards related to a new market tax credit application. The application would be termed a citywide application which has been done by a few cities around the country. The \$100,000 is for the cost of a consultant to prepare the application. Mr. Maduli-Williams indicated that it would be early spring of 2010 if the Agency were to apply; the next round of tax credits that would potentially become available would be \$5Billion.

Commissioner Covington made a motion to adopt the budget as submitted.

Commissioner Breed stated that she had two concerns on the budget, one of which is the website development cost; was the cost based on a quote and how much was previously spent on the development of the website.

Ms. Lee stated that the cost for the website is a temporary placeholder. Ms. Lee stated that she would provide the Commission with the cost of how much funds were previously spent in developing the website. Ms. Breed seconded the motion with the understanding that staff will come back with their recommendation on who will develop the website.

Commissioner Breed's second concern was the Trust which, at the last meeting, she proposed to look into three options and how to move forward. Ms. Breed stated that the money which has been budgeted specifically to explore the trust is a concern to her; it was her understanding that it was not money just to explore the trust, there were other options to explore, and it should not be specific to the Trust. Ms. Breed stated it should be specified as exploration of options for Yerba Buena Center/Area. Commissioner Breed stated that she had a problem with the particular language under the staff summary on page 10. Ms. Breed yielded the issue to Commissioner Swig with his recommendation.

Commissioner Swig stated that he agreed with Ms. Breed, suggested that on page 10, paragraph 3, the subject matter under Operating Trust; suggested the word Trust be explored because it is prejudicial to the process which needs to be open ended. Mr. Swig suggested that the language be replaced as "Yerba Buena long term management alternative" as the paragraph area, and in line 8, end of the words including "the possible establishment of a separate quasi public Yerba Buena Trust", Mr. Swig asked that those words be scratched because it is then



not perceived; the options would remain wide open to many alternatives and still planning for the long term.

Ms. Neches stated that Mr. Swig's suggested changes would be incorporated into the summary.

Commissioner Breed supported Mr. Swig's suggested changes, and asked staff to make those changes, not just exploring the Trust, but to look into whether or not there be a Trust, whether there is an alternative, and whether the option is to maintain as is — whether that is an option and why is that or is not an option. Ms. Breed asked that staff work with the Yerba Buena community in coming up with the best solution and communicating openly with them on the possibilities.

Commissioner Covington stated point of information – a motion is on the floor – asked if Commissioner Swig, in cooperation with Commissioner Breed, was he proposing a friendly amendment, and if so, is it entertained at this time or at a later time.

President Romero stated that he was going to ask General Counsel Morales if the Commission had to make the changes by way of a motion to amend. Mr. Romero stated it is not a resolution but a budget document.

General Counsel Morales stated that if the maker of the motion agrees to accept the changes as a friendly amendment, and everyone is in agreement to move forward, then the motion to amend would go forward.

Commissioner Covington stated that she accepts the amendment and asked for another reading of Commissioner Swig's proposed language.

Commissioner Swig stated that he proposes on page 10, paragraph 3, that the headlines stating "Yerba Buena Operating Trust", be changed to "Yerba Buena long term management alternative", and furthermore, on line 7, the language "including the possible establishment of a separate quasi public Yerba Buena Trust," be stricken.

Commissioner Covington accepted the friendly amendment.

Commissioner Breed also accepted the friendly amendment.

Commissioner Singh asked if \$3.5M is being requested for the Yerba Buena Trust.

Ms. Neches stated that the \$3.5M is unrelated to the long term management structure; the agency maintains reserve balances within the Yerba Buena system for both operating and capital reserves. The long term projections of the capital reserve account shows that it will run into short falls in a number of years. Ms. Neches stated that four years ago the Commission, working with the City, replenished the capital account balance with tax increment bonds from Yerba



Buena, which is being proposed this year that a portion of the tax increment bonds from the Yerba Buena Project Area be used to help replenish the capital account to ensure that the Agency is able to maintain the public facilities in Yerba Buena in the coming years.

Commissioner Singh asked if the Agency would have any jurisdiction over Yerba Buena in 2010.

Ms. Neches stated that the Yerba Buena redevelopment plan expires January 1, 2010; the Agency's land use jurisdiction will end at that point but will continue to own and operate the income producing assets and the public facilities.

Commissioner Singh asked what the Agency's obligations would be after January 1, 2010.

Ms. Neches stated that the Agency owns property in Yerba Buena, both the Esplanade and the Children's Rooftop Gardens, the land under the Metreon and the Marriott, and various other income producing property. Ms. Neches indicated that within the Yerba Buena separate account system, the Agency would continue to own and manage those assets, continue to collect the rents, and the exaction payments from the agreements which are then used for the operations of Yerba Buena Gardens, and fund the cultural facilities of the Yerba Buena Center for the Arts, Zeum, and the Arts and Entertainments programming in the Gardens

Commissioner Singh asked how many Agency employees work for the Yerba Buena Center Project.

Ms. Neches stated presently, she works half time on Yerba Buena, an Assistant Project Manager primarily managing the gardens and other facilities in the area, members of real estate staff involved in the management of the income producing assets, administrative overhead, and finance staff.

Commissioner Cheu asked, in reference to the general fund, if there was any sense of what areas may be affected and substantial differences in the budget.

Ms. Lee stated that there may be substantial changes in where the Agency may be asked to take on previously funded projects that were funded by the General Fund that the Agency can appropriately, in compliance with the CRL, fund. Ms. Lee indicated that the Agency may be asked to reduce the impact to the General Fund; the current budget affects the general fund by an additional \$6M from the previous year.

Director Blackwell stated that last year Ms. Lee mentioned the Agency would be taking on certain housing projects that were in the pipeline that were either funded through the hotel tax or general fund; a list was provided then. Mr. Blackwell stated that most likely a list would again be provided with a list of housing projects but also infrastructure, and capital projects as well. Mr.



Blackwell stated that if there were substantial changes to the budget, staff would come back to the Commission before submitting the budget to the Board of Supervisors.

Commissioner Cheu asked, in reference to workforce development, and the issue of the lack of infrastructure to spend the funds, could the funds be used to develop the workforce development infrastructure.

Director Blackwell stated that the Agency plans on working closely with the City family on workforce development issues. CRL requires that the Agency spend Redevelopment money to focus on the employment pieces that relate to physical construction; the notion of the Agency providing capacity building grants is off limits when it comes to CRL. Director Blackwell indicated that the CDBG program with respect to Workforce Development and other flexible funding sources can be used that way, and anticipates working in tandem with the City family to make sure, collectively, to look at the investment of workforce development, and align different workforce development funding strategies with appropriate funding.

Commissioner Swig inquired why the growth as noted on page 67 in the line items for Temps and Recruitment costs in '07/08 went from \$101,000, to \$135,000 in 08/09, and currently proposed for \$144,000.

Ms. Lee stated that the increase was due to an increase of temps for historic project work, staff that have been requested to come back to wrap up certain projects on an as needed basis, and temps for vacancies that have not been filled.

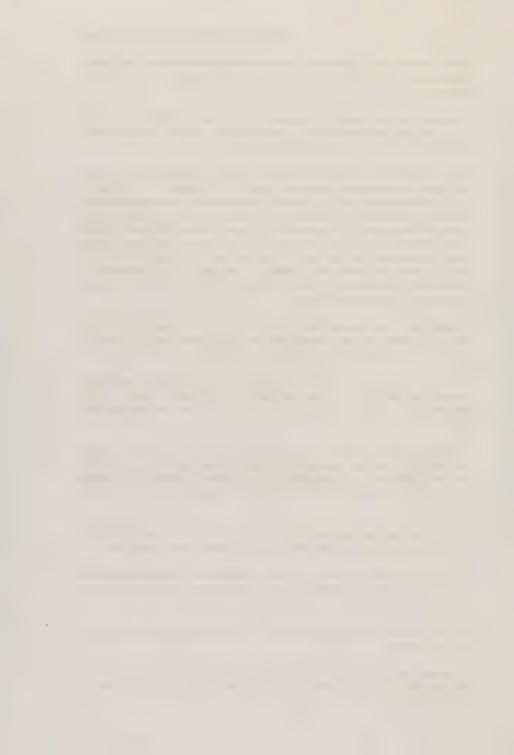
Commissioner Swig stated his concern is that as the FTE's are being reduced, that the FTE's are being neutralized by part-time staffing which ends up not reducing costs. Mr. Swig also pointed out significant increases in consultant services: '08 – \$266,000, '09 - \$521,000, and current request for '09-10 - \$782,000.

Ms. Lee indicated that the cost reflects the consultant for the proposed website development, and the consultant for the new tax market credit application.

Commissioner Swig inquired as to the maintenance of machines/equipment furniture at \$169,000 in '07/08, \$193,000 in '08/09, and the current request for \$305,000.

Ms. Lee stated that the agency has been in the process of purchasing machines in lieu of leasing.

Commissioner Swig inquired as to why the increase under the Commissioners line item which went from \$60,000 in '07/08, \$60,000 in '08/09, and a jump of \$166,000 in '09/10.



Ms. Lee stated that the additional expenses in the Commission line item include KPOO expenditures for the broadcasting of the Commission meetings which reflects the Commissioners activities rather than miscellaneous as was previously listed.

Commissioner Swig proposed a friendly amendment on top of his previous amendment relating to references to the Mexican Museum. Mr. Swig stated that he strongly supports the success of the Mexican Museum and looks forward to visiting it when it opens, however, he pointed out that the Mexican Museum has defaulted upon the resolution the Commission adopted and have not lived up to their expectations or promises that were requested in the resolutions. Mr. Swig stated that he does not think that the assumption should be made that 706 Mission is/the Mexican Museum; he would like to make it clear in referencing it, and believes Commissioner Covington had the same concern at the last meeting. Mr. Swig stated that he would like to change, as appropriate when talking to the Mexican Museum as a physical structure that it is referred to as the "proposed Mexican Museum or appropriate cultural facility". Mr. Swig stated that is the friendly amendment he would like to propose while supporting, in general, the budget.

Commissioner Covington accepted the friendly amendment.

President Romero stated that the amendments were moved and seconded by Commissioner Covington, that the proposed change by Mr. Swig be added to the earlier amendment, once that is added to the earlier amendment the resolution in whole will need to be voted on.

President Romero asked that all in favor of the second amendment proposed by Commissioner Swig, to signify Aye, but after an inconclusive voice vote, asked for a roll call vote.

President Romero asked for clarification purposes that Commissioner Swig restate the motion.

Commissioner Swig stated the language in the budget where it refers to the physical structure, that the Mexican Museum be changed to "proposed Mexican Museum" or "appropriate Cultural Facility".

Commissioner Cheu indicated that there was a statement made that the Mexican Museum was in default of the agreement, and asked what the status was.

Ms. Amy Neches stated that staff is continuing to work with the Mexican Museum and indicated there has been a lot of progress with the Mexican Museum. They have not filled their conditions in the MOU; staff expects to come back to the Commission within the next few weeks with proposed changes and a full report. In terms of the substance of the use of the money, it is intended in the language of the paragraph for the new cultural component space, more importantly in the budget page itself which becomes the budget



where it refers to the 706 Mission Cultural components. Staff felt not mentioning the Mexican Museum, since that is the institution, would not be providing fair information since they are certainly continuing to work with them. Ms. Neches stated that she wanted to be clear that it is not being set up to where if it is not the Mexican Museum the funds cannot be used for other purposes pursuant to the Commissions future direction; any changes in language the Commission would collectively suggest would be made.

President Romero asked for clarification that what the amendment proposes is already there.

Ms. Neches stated in terms of the budget page there is flexibility but the nuance of the language is within the Commissions discretion.

Director Blackwell stated that late summer, an ENA and a MOU was approved laying out the conditions under which the agency would issue a \$250,000 grant to the Mexican Museum. The two conditions were to establish an agreement that Fort Mason was comfortable with repayment of debt, and getting into a grant agreement with the Arts Commission. Director Blackwell stated that neither of those two conditions has been met, and the money has not been issued.

Commissioner Breed stated for point of clarification, based on Ms. Neches' comments, that the language as it exists opens the door for anything, where the comments made by Commissioner Swig to amend it limits it to the Mexican Museum or any other cultural institution, whereas 706 Mission gives the impression that there could be any particular project in that space.

Ms. Neches stated that the way it is written at this time it would be a cultural component for that project pursuant to the Commissions future approval of what that cultural component would be, and what the specific agreement with that cultural user would be. Ms. Neches stated that staff continues to work with the Mexican Museum with the goal of them being able to succeed as the occupier of that cultural component space. Ms. Neches indicated that the funds going into the use will become part of the agency's budget, the appropriation of the funds are subject to the Commissions future action; the \$4M would become available to be used for the project.

Commissioner Breed stated that she would like to see consistency with the specific use. Ms. Breed stated there is too much confusion and what Mr. Swig is proposing is to change it to allow it to be the Mexican Museum or another cultural institution which is different to what is stated. Ms. Breed asked for clarification.

Ms. Neches stated that the language in the paragraph is acceptable as requested by the Commission; staff will expand on the summary as requested.



Commissioner Swig stated that he requests that the name be consistent throughout so there is no ambiguity about what they are referencing. They would all like to have the proposed Mexican Museum, and if that is not allowed to happen, the space should also be designated for an alternative cultural facility. Ms. Swig asked that there be consistency through the headline, the paragraph, and the line item of the budget.

Commissioner Cheu stated that she is fine with the wording as it stands; her concern is in adding language that a message is being sent to the Mexican Museum saying, or alternative. Ms. Cheu stated it is policy, not just words, she does not believe that the message needs to be sent to the Mexican Museum since the Commission has not heard why they have not been able to accomplish the two requirements; she would like to hear more before sending any message emphasizing the fact that it could be another cultural facility. Ms. Cheu stated she would be comfortable referring to it as the "proposed Mexican Museum Project", but does not see the need to emphasize the "or alternative cultural facility" portion.

Commissioner Covington asked Commissioner Swig if he would consider withdrawing his friendly amendment.

Commissioner Swig stated that if Commissioner Covington would suggest it, he would do so.

Commissioner Covington so suggested it.

Commissioner Swig withdrew his friendly amendment.

President Romero stated the friendly amendment is withdrawn.

President Romero took a vote for the amendment described earlier.

Commissioner Covington requested that all Commissioners be given an excel spreadsheet for the Commissioners fees so they can see exactly what it is that goes in there.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 39-2009, APPROVING THE PROPOSED BUDGET FOR THE PERIOD JULY 1, 2009 THROUGH JUNE 30, 2010 AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT THE BUDGET TO THE MAYOR'S OFFICE, BE ADOPTED AS AMENDED.

(e) Resolution No. 40-2009, Authorizing a Personal Services Contract with Community Housing Partnership Enterprises, a non-profit organization, for a term of three-years, in an amount not to exceed \$125,000, to provide move-out cleaning and repair services for vacated Agency-owned affordable housing units; All Redevelopment Project Areas and City-Wide.



Presenter: Audrey Kay, Agency Staff

Speakers: Ace Washington

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 40-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH COMMUNITY HOUSING PARTNERSHIP ENTERPRISES, A NON-PROFIT ORGANIZATION, FOR A TERM OF THREE-YEARS, IN AN AMOUNT NOT TO EXCEED \$125,000, TO PROVIDE MOVE-OUT CLEANING AND REPAIR SERVICES FOR VACATED AGENCY-OWNED AFFORDABLE HOUSING UNITS; ALL REDEVELOPMENT PROJECT AREAS AND CITY-WIDE, BE ADOPTED.

(f) Resolution No. 41-2009, Authorizing submittal of an application to the State of California's Department of Housing and Community Development for \$14,590,639 under the Infill Infrastructure Grant Program for infrastructure improvements (the "Program") for Phase 1 of the Hunters Point Shipyard development, and execution of a standard agreement and any amendments thereto, and any related documents necessary for participation in the Program, if selected for funding; and adopting environmental findings pursuant to the California Environmental Quality Act; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: Francisco DaCosta, Doris Vincent

Commissioner Swig put forth a motion to move the item.

Commissioner King seconded the motion.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 41-2009, AUTHORIZING SUBMITTAL OF AN APPLICATION TO THE STATE OF CALIFORNIA'S DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR \$14,590,639 UNDER THE INFILL INFRASTRUCTURE GRANT PROGRAM FOR INFRASTRUCTURE IMPROVEMENTS (THE "PROGRAM") FOR PHASE 1 OF THE HUNTERS POINT SHIPYARD DEVELOPMENT, AND EXECUTION OF A STANDARD AGREEMENT AND ANY AMENDMENTS THERETO, AND ANY RELATED DOCUMENTS NECESSARY FOR PARTICIPATION IN THE PROGRAM, IF SELECTED FOR FUNDING; AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.



(g) Workshop on the design of the Transbay Transit Center, pursuant to the Implementation Agreement with the Transbay Joint Powers Authority; Transbay Redevelopment Project Area.

Presenter: Mike Grisso, Agency Staff

Speakers: Francisco DaCosta, Norman Rolfe

Commissioner Covington stated that the project is fabulous, and the sheathing of the building looked wonderful. Ms. Covington asked about the air quality and how the building breathes.

Mr. Fred Clark stated that the building is almost entirely naturally ventilated and may occasionally need to provide supplemental heating. Mr. Clark stated the vehicles are becoming more electrically powered or naturally gas powered, therefore, the pollutants that come from a vehicle are not entering the building. The air quality in the building will be of the highest standard.

Commissioner Covington asked what the sheathing was comprised of.

Mr. Clark stated that the sheathing on the exterior is primarily glass; the intention is to make the building very light and transparent, and to make it appear to be anything but just another transit center.

Commissioner Covington asked if the building was on rollers in the event of seismic activity.

Mr. Clark stated that the engineering groups are looking at the project from the standpoint of seismic, and does perform very well. They also need to be concerned and careful about security issues, the glass is being looked at from the standpoint of withstanding explosions; it is being extremely carefully engineered, as is the entire structure.

Commissioner Cheu stated the design was very beautiful and looks forward to visiting the plaza and open parks. Ms. Cheu asked what the total square footage of retail for each phase.

Mr. Clark stated that the total square footage of retail for the entire building is 120,000 square feet. The above grade portion is 75,000 square feet.

Commissioner Cheu asked what the considerations were to existing traffic patterns.

Mr. Clark stated there is an ongoing study on traffic patterns to ensure that buses and vehicles they can control will prevent less clogging of streets. Commissioner Cheu asked if there were other places in the world that provided inspiration for the project.



Mr. Clark stated that the project was designed specifically for San Francisco; it is an idea that you would see in Europe, Japan, or Asia, and is very rare to have such a design in the United States. Mr. Clark stated that as an architect and having traveled all over the world presenting the project, it is the most discussed project in the world and are very fascinated with the potential. Mr. Clark stated that it is more than just a transit center; it is a whole development opportunity, a rejuvenator for a neighborhood. Mr. Clark stated it is very much a San Francisco building.

Commissioner Swig asked if the center was contingent on the tower being built or is the tower contingent on the center being built, does one affect the other.

Mr. Beck stated that the projects are being developed as separate projects, the revenue from the tower is part of their overall funding plan, and the two projects are not linked; they are prepared to move forward, construct the transit center, and put into operation if the development of the tower lags.

Commissioner Swig asked if First Street would be a pedestrian tunnel from Mission Street to Market Street to minimize pedestrian traffic coming out of the terminal.

Mr. Grisso stated neither First Street nor Fremont Street is being changed since they are major automobile streets. The street south of the terminal on Natoma Street will be changed as a pedestrian only street. Mr. Grisso stated that there is a proposal for an underground connection from the rail station to the Muni/ lines on Market which would relieve pedestrian traffic.

Mr. Beck stated that they are in conversations with about the alignment of the connection whether they will go up First Street and then connect to Montgomery Street, or go to Fremont and connect to the Embarcadero.

President Romero praised the project, stated that it was very creative and beautiful. Mr. Romero asked for a brief summary on the controversy of the capacity for high speed rail.

Mr. Beck stated that the program is a single rail platform level beneath the transit center that would have six tracks, two for the operation of Cal train commuter rail, and four for the operation of high speed rail on the same level. The High Speed Rail Authority submitted an initial operating plan that would bring ten trains per hour to San Francisco; their operation plan is to have 40 minutes between the scheduled arrival and departure of the trains. Mr. Beck stated with that type of operating pattern that would be beyond the capacity of the four tracks they have. Mr. Beck stated that there will be a statement in two weeks on their approach towards an operating/design solution.

5. MATTERS NOT APPEARING ON AGENDA: None



6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speakers: Francisco DaCosta, Keith L. Carlisle, Ace Washington

7. REPORT OF THE PRESIDENT:

- President Romero reported that the Evaluation Committee came up with a process for evaluating the Executive Director which will be discussed with the Director in Closed Session.
- The Commission Retreat will be scheduled for Tuesday, June 23rd, at the South Beach Harbor.

8. REPORT OF THE EXECUTIVE DIRECTOR:

• Director Blackwell reported that the Visitacion Valley Plan was unanimously adopted by the Land Use Committee several weeks ago. The plan was heard at the full Board of Supervisors hearing the previous week with a lot of discussion and good public comment; positive feedback on the plan. Today, with a 10-0 vote at the first reading, the plan was adopted. There will be one more reading before implementing and adopting the plan

9. **COMMISSIONERS' QUESTIONS AND MATTERS:**

- Commissioner Singh thanked all for the flowers and cards sent on behalf of the passing of Commissioner Singh's mother.
- Commissioner Covington requested that the meeting be adjourned in the memory of Commission Darshan Singh's mother, Sardarni Kartar Kaur.
- **10.** <u>CLOSED SESSION</u>: Continued from April 7, 2009: (a) Pursuant to Section 54597 (b) (1) of the Government Code regarding personnel matters: evaluation of performance of the Executive Director.
 - (b) Pursuant to Government Code § 54957.6 to confer with Agency designated representatives regarding negotiations with the International Federation of Professional and Technical Engineers (IFPTE) Local 21 representing the Engineers and Architects bargaining unit, the Management/Supervisory bargaining unit, and the Professional/ Technical bargaining unit. Agency negotiators: Fred Blackwell, Amy Lee, and James B. Morales.



11. ADJOURNMENT:

It was moved by Commissioner, seconded by Commissioner, and unanimously carried that the meeting be adjourned be adjourned in the memory of Commission Darshan Singh's mother, Sardarni Kartar Kaur at 7:30 p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED:

MAY 5, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 5th DAY OF MAY 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 5th day of May 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King Darshan Singh

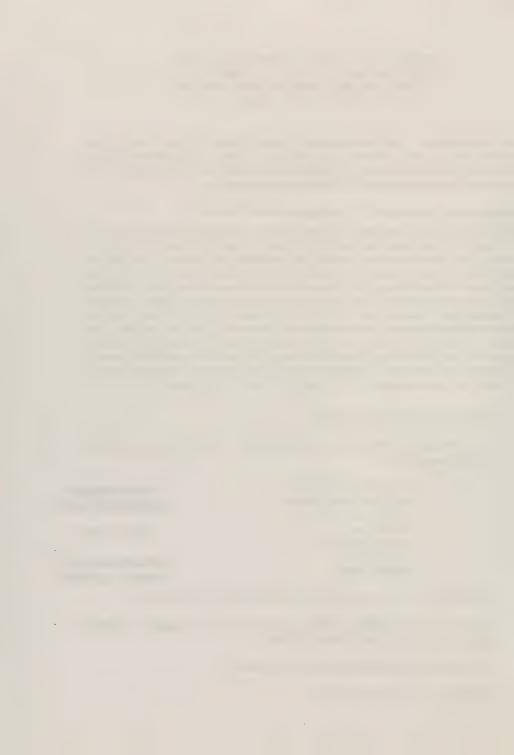
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Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:



CONSENT AGENDA

(a) Approval of Minutes: Meeting of April 21, 2009

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED, THAT MINUTES FROM THE REGULAR MEETING OF APRIL 21, 2009, BE ADOPTED.

REGULAR AGENDA

(b) Resolution No. 42-2009, Authorizing a First Amendment to the Personal Services Contract with the Puccini Group, A California Corporation, to Extend the Contract Term 12 months from May 5, 2009 to May 30, 2010; To Amend the Scope of Services to Provide Strategic Plans for Four Restaurants Participating in the Agency's Amended Revolving Loan Program; and to Increase the Contract Amount by \$210,000 for a Total Aggregate Amount Not to Exceed \$235,000; former Western Addition Redevelopment Project Area A-2.

Presenter: Stephen Maduli-Williams, Agency Staff

Speakers: Andy Choi, Sheryl Davis, Michael Johnson, Randall Evans, Kaz Kajimura, Monetta White, Cynthia Traina, Ace Washington

Commissioner Swig complimented staff for following the direction of the Commission in addressing their concerns raised earlier and for providing a good outline and format for moving forward. Mr. Swig asked from which budget the \$235,000 was coming from.

Mr. Maduli-Williams stated that the funds were set aside and were part of the budget amendment previously approved by the Commission.

Commissioner Swig stated that the Puccini report was very good and thorough, and recognizes that the Redevelopment Agency has a significant investment in the businesses. He stated that as an investor, the Agency has the right to ask questions, and hold those businesses accountable. Mr. Swig stated that he appreciates that there will be accountability and a measurement for the results of the restaurants efforts, as outlined in the report, which he indicated is critically important. He understood that there was both good news and criticism in the report, and expressed that he hopes the restaurants involved take the less than good news in a constructive fashion and take advantage of the good advice being offered by the Puccini Group by taking action. Mr. Swig stated that in doing so, it will enhance their businesses, enhance the value of their investment, enhance the value of the neighborhood, and therefore, make the project successful. Mr. Swig put forth a motion to move item 4(b).



Commissioner Cheu thanked staff and the Puccini Group for the thorough report and details in the scope. She also expressed that it was good to see the restaurant owners attending the meeting to show their support. Ms. Cheu asked if the three consultants would be coordinating their efforts and what the timeframe was for each contract. She also asked, and in terms of the contract for branding, how that effort was going to be coordinated overall.

Mr. Maduli-Williams stated that Cynthia Traina is working on the branding as well as the individualized marketing along with the CBD in the branding efforts; the two are being coordinated together with the scope of work being developed in tandem.

Cynthia Traina stated that she along with a group of people have been working towards the branding effort for the past four months. They have been trying to maximize their branding efforts by reaching a deadline for the upcoming San Francisco Jazz Festival scheduled on the weekend of July 4th which brings hundreds of thousands of people into the city and to the area.

Commissioner Cheu seconded the motion.

Commissioner Breed stated it was a good report, and appreciates a third party providing feedback so it is not just coming from customers who frequent the restaurants. She stated that it is a comprehensive start to what she hopes to be great for the district. Ms. Breed stated that she would like the Puccini Group to make more of an effort in their outreach to residents in the district who have been there for a long period of time to find out why they are continuously walking by the restaurants and not going in; she knows the price is one concern, and not necessarily feeling welcome is another concern. Ms. Breed indicated that the report is good for other businesses within the district so they can tap in to the traffic flow from the restaurants and can benefit by making certain adjustments in their hours of operation as well as their outreach efforts to attract those audiences as well. Ms. Breed stated there is no mechanism by which the Agency can enforce any of the suggestions by the Puccini Group but hopes they implement some of the suggestions.

Mr. Maduli-Williams stated that the performance aspect was set up where it was agreed upon that 50% of the funds of the new loans, all except for Yoshi's, would be distributed at closing and the balance would be distributed based upon the Puccini Group working with the restaurants to come up with strategic analysis of where they are, and craft out action items in terms of a performance related action plan. Mr. Williams indicated that the thought is that they would split the balance over 12 months where if they meet their individualized goals, they will receive their disbursement.



Commissioner Breed stated that she was confused when the funds were sought after by the Commission, they were told that the restaurants were in trouble and in dire need of the money. She asked if there are requirements on releasing funds, how that would affect their businesses if they were in dire need of the funds then.

Mr. Maduli-Williams stated that 50% of the capital need has been disbursed due to immediate needs with the rest of the money generally going towards tenant improvements which will be phased in over time based on their performance.

Commissioner Breed stated that she had a problem with what was communicated to the Commission.

Mr. Maduli-Williams stated that the message staff received from the Commission is that the Commission wanted performance guidelines; (1) what happens if you disperse all the money all at once, and (2) what kind of leverage do you have to ensure that the restaurants adhere to performance. Mr. Williams stated in terms of reporting or any changes that may or may not need to happen with the respective businesses, it does not give any leverage in terms of enforcing any conditions by dispersing all the funds.

Director Blackwell clarified that when the recommendations for the loans were brought to the Commission, it was framed so the payments would be linked to their performance. Director Blackwell stated the reason why the 50% was disbursed at the time was to take care of the urgent needs so that subsequent payments would be based on meeting objectives.

Commissioner Breed stated that some of the recommendations require small costs to make certain improvements and the monies they are requesting have already been earmarked for other purposes. She asked if it is possible that other monies might be requested based on the report.

Mr. Maduli-Williams stated that no other requests to the agency would be made but they have other options. They can apply to the Mayor's Office of Community Investment; \$675,000 was transferred for tenant and façade improvements and the restaurants have the matching fund requirements with the Agency's funds to apply, as well as CBG loans that will be coming through the Mayor's Office of Economic and Workforce Development.

Commissioner Breed stated that she agrees the bus stop should be relocated from the corner and asked if the agency would be responsible for that. She would like to see included in the report: (1) what is deterring people from the area; (2) what other types of businesses are needed in the district; and (3) look into why the rent is high in some areas. Ms. Breed stated that she would like the Puccini Group to get a broader perspective of the area, what are the other serious concerns and obstacles about the District that are problematic other than the crime. Ms. Breed stated that the report mentioned a need for a coffee



Shop and is not certain whether they visited the coffee shop at the corner of Fillmore and Eddy, and asked that the Puccini Group do a broader research of businesses in the area. Ms. Breed stated that overall, the report was good and agreed with most of it; a great start to what could lead to ensuring the restaurants more success and the Agency in doing its' part to support their success.

Commissioner Covington stated that she agrees that the report was comprehensive and appreciated the background information on Mr. Puccini and the group. She stated that a number of negative comments were published as a result of the survey and wondered where the good and complimentary comments were which were not reflected in the report. Ms. Covington stated that the report did not have the depth of cultural competence because there were omissions such as the strengths of the establishments and referencing from the report, "1300 Fillmore as being a unique concept, only 18 soul food restaurants out of 3200 total restaurants in San Francisco" - she stated that 1300 Fillmore does not identify itself as a soul food restaurant – they are a Soulful Cuisine and to compare them with Farmer Browns is not fair to 1300 Fillmore. Ms. Covington also indicated that Sheba's is not a high end restaurant but has first class entertainment and serve Ethiopian Food. Ms. Covington stated that overall, the report and process is good and encouraged the Puccini Group to listen to what it is that the owners have to say, how they are building their clientele, and acknowledge the tremendous heart and effort it took to want to establish the places in the Fillmore.

Mr. Maduli-Williams stated that some of Commissioner Covington's points were also expressed by some of the restaurant owners which were communicated directly to the Puccini Group.

Commissioner Singh stated that he was glad to hear that the restaurants are doing well and asked what type of mechanism are in place to see their progress as well as their drawbacks.

Mr. Maduli-Williams stated that the Puccini Group would be providing monthly progress reports focusing on financial management, operations, marketing, and PR. They will also have a baseline report on where they are, an action plan, and a monthly report on how well they're doing. Mr. Williams stated that it is the Commissions prerogative as to how they wish to be kept up to date on their reports.

Commissioner King stated that it was an excellent report and has worked with the Puccini Group over the years which he considers to be an excellent group.



ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 42-2009, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH THE PUCCINI GROUP, A CALIFORNIA CORPORATION, TO EXTEND THE CONTRACT TERM 12 MONTHS FROM MAY 5, 2009 TO MAY 30, 2010; TO AMEND THE SCOPE OF SERVICES TO PROVIDE STRATEGIC PLANS FOR FOUR RESTAURANTS PARTICIPATING IN THE AGENCY'S AMENDED REVOLVING LOAN PROGRAM; AND TO INCREASE THE CONTRACT AMOUNT BY \$210,000 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$235,000; FORMER WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2, BE ADOPTED.

(c) Resolution No. 43-2009, Authorizing an Exclusive Negotiations Agreement and a Predevelopment Loan Agreement, in an amount not to exceed \$203,880 with Chinatown Community Development Center, a California nonprofit public benefit corporation, and Em Johnson Interest, Inc., a California Corporation, for development of 100 affordable senior rental housing units on Central Freeway Parcel C, southwest corner of Golden Gate Avenue and Franklin Street, in the former Western Addition A-2 Redevelopment Project Area; Citywide Housing Tax Increment Program.

Presenter: Pam Sims, Agency Staff

Speakers: Michael Johnson, Arnold Townsend, Kenneth Jones, Ace Washington, Randall Evans, Sheryl Davis

Commissioner Breed stated that the project was a long time coming and indicated that she was glad that Mr. Michael Johnson, whose reputation in the Western Addition Community is not only as being a developer, but a person who meets, talks, interacts, and has a full understanding of what is happening in the community, and accommodates the requests from the community which to her is invaluable. Ms. Breed stated in Ms. Rogers spirit, and as Sister Davis so eloquently stated, Mr. Johnson is the kind of person you want to build this project, someone who is there to support the community and will ensure that the essence and everything that Ms. Rogers stood for is captured. Ms. Breed expressed her excitement over the art piece that is expected to be part of the project and supports Ms. Roger's family in their input and ideas for the art piece. Ms. Breed stated that she hopes Ms. Roger's legacy will be kept alive with the building and clear that when you walk into the building you feel her spirit. Ms. Breed asked that there be some type of information in the building on the history of who Ms. Rogers was and what she stood for, and that her family is still a part of the community. Ms. Breed expressed that Ms. Rogers is missed and is confident that the project will be one the community will be proud of. Ms. Breed put forth a motion to move Item 4(c).



Commissioner Covington stated that she agreed with Ms. Breed's comments, and asked that the project not be delayed any longer. Ms. Covington seconded the motion.

President Romero agreed with all the comments made.

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 43-2009, AUTHORIZING AN EXCLUSIVE NEGOTIATIONS AGREEMENT AND A PREDEVELOPMENT LOAN AGREEMENT, IN AN AMOUNT NOT TO EXCEED \$203,880 WITH CHINATOWN COMMUNITY DEVELOPMENT CENTER, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AND EM JOHNSON INTEREST, INC., A CALIFORNIA CORPORATION, FOR DEVELOPMENT OF 100 AFFORDABLE SENIOR RENTAL HOUSING UNITS ON CENTRAL FREEWAY PARCEL C, SOUTHWEST CORNER OF GOLDEN GATE AVENUE AND FRANKLIN STREET, IN THE FORMER WESTERN ADDITION A-2 REDEVELOPMENT PROJECT AREA; CITYWIDE HOUSING TAX INCREMENT PROGRAM, BE ADOPTED.

(d) Resolution No. 44-2009, Authorizing a First Amendment to the Tax Increment Regulatory And Grant Agreement for a current grant amount of \$379,820, for an aggregate amount not to exceed \$2,541,620, and an Amended and Restated Housing Opportunities for Persons With AIDS Capital Loan Agreement for a Current Loan Amount Of \$94,955, for an aggregate amount not to exceed \$694,955, with Community Treatment Awareness Services, Inc., a California nonprofit public benefit corporation, for the rehabilitation of a 54 bed shelter, A Woman's Place, 1049 Howard Street; within the South of Market Redevelopment Project Area; Citywide Tax Increment Housing Program.

Presenter: Pam Sims, Agency Staff

Speakers: Charles Range, Raymon Smith

Commissioner Swig stated that on page 9 of the attached document entitled "Citywide Affordable Housing Loan Committee Request for Evaluation for Rehabilitation Financing", he pointed out that there was a revenue and expense summary in '06 stating that the Women's place operated in a \$100,000 deficit after depreciation, in '07 it operated in a positive, and in '08 it operated in a significant lose after depreciation, and in looking at the bothersome trend, there is a decline in federal government financing over the three year period by \$100,000. Mr. Swig asked that staff address the financial stability of the organization since he is concerned that that the federal funding for the Woman's Place continues to deteriorate and there is no evidence in the financing proposal of specific increases.



Ms. Pam Sims stated that funding for a Women's Place comes from the Dept. of Public Health and the Agency was assured that funding would be continued since it is a shelter and a priority for the city. Ms. Sims indicated that the emergency shelter grant funding from the federal government has recently increased, and have also received domestic violence funding because woman who live at the shelter often are victims of domestic violence. In addition to that, they are aggressively increasing their fund raising and grant writing efforts to diversify their funding sources. Ms. Sims indicated that when a site such as a Woman's Place runs a deficit, the parent agency (CATS) helps subsidize the individual shelters.

Commissioner Swig made a motion to move Item 4(d)

Commissioner Singh seconded the motion.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 44-2009, AUTHORIZING A FIRST AMENDMENT TO THE TAX INCREMENT REGULATORY AND GRANT AGREEMENT FOR A CURRENT GRANT AMOUNT OF \$379,820, FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$2,541,620, AND AN AMENDED AND RESTATED HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT FOR A CURRENT LOAN AMOUNT OF \$94,955, FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$694,955, WITH COMMUNITY TREATMENT AWARENESS SERVICES, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE REHABILITATION OF A 54 BED SHELTER, A WOMAN'S PLACE, 1049 HOWARD STREET; WITHIN THE SOUTH OF MARKET REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

(e) Resolution No. 45-2009, Approving a Memorandum of Understanding between the Redevelopment Agency of the City and County of San Francisco, the City and County of San Francisco, and the California Department of Parks and Recreation in an amount not to exceed \$459,332 for the Candlestick Point State Recreation Area, including the preparation of a State General Plan; Hunters Point Shipyard and Bayview Hunters Point Redevelopment Project Areas.

Presenter: Stan Muraoka, Agency Staff

Speakers: Steven Musillami, Maureen Gaffney

Commissioner Swig asked for confirmation that the money is not coming out of the redevelopment agency but being funded by the Developer.

Mr. Muraoka stated that was correct.



Commissioner Swig stated that he emphatically supports the item which is a key component towards moving the entire Candlestick/Bayview Hunters Point project forward, and said it was a great collaborative opportunity between the City and State government. Commissioner Swig put forth a motion to move Item 4(e).

Commissioner Covington seconded the motion.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 45-2009, APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, THE CITY AND COUNTY OF SAN FRANCISCO, AND THE CALIFORNIA DEPARTMENT OF PARKS AND RECREATION IN AN AMOUNT NOT TO EXCEED \$459,332 FOR THE CANDLESTICK POINT STATE RECREATION AREA, INCLUDING THE PREPARATION OF A STATE GENERAL PLAN; HUNTERS POINT SHIPYARD AND BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREAS, BE ADOPTED.

(f) Resolution No. 46-2009, Authorizing a Letter Agreement with the Planning Department of the City and County of San Francisco, in an amount not to exceed \$154,220, for completion of environmental review of proposed Zone One streetscape changes as identified in the Transbay Streetscape and Open Space Plan; Transbay Redevelopment Project Area.

Presenter: Kevin Masuda, Agency Staff

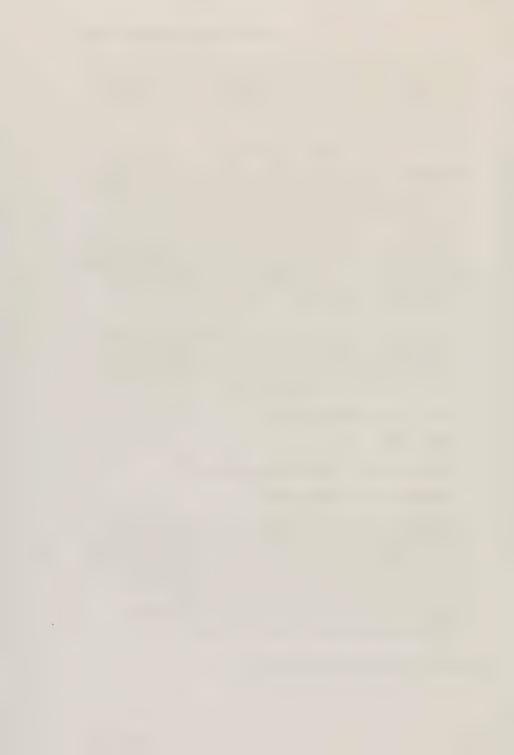
Speakers: None

Commissioner Singh put forth a motion to move item 4(f).

Commissioner King seconded the motion.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KIING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 46-2009, AUTHORIZING A LETTER AGREEMENT WITH THE PLANNING DEPARTMENT OF THE CITY AND COUNTY OF SAN FRANCISCO, IN AN AMOUNT NOT TO EXCEED \$154,220, FOR COMPLETION OF ENVIRONMENTAL REVIEW OF PROPOSED ZONE ONE STREETSCAPE CHANGES AS IDENTIFIED IN THE TRANSBAY STREETSCAPE AND OPEN SPACE PLAN; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

5. MATTERS NOT APPEARING ON AGENDA: None



6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speakers: Raymon Smith, Ace Washington

7. REPORT OF THE PRESIDENT:

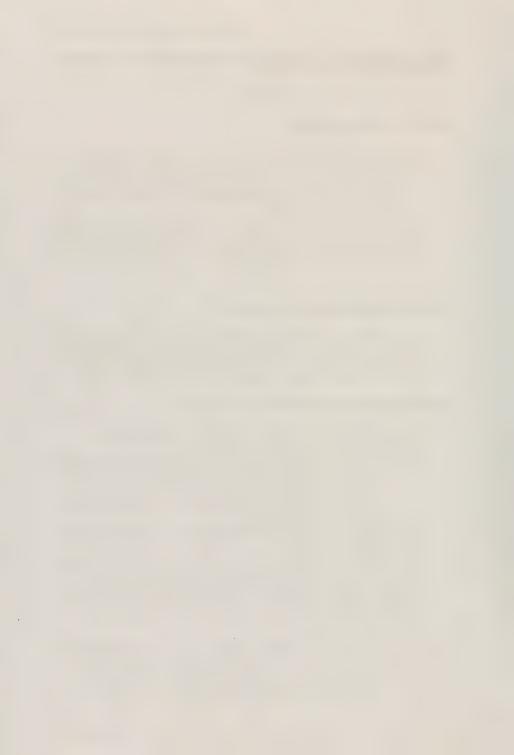
- President Romero stated that in the process of evaluating the Executive
 Director, the Commissioners were asked to provide their written evaluations
 by this meeting and if they have not done so to please turn them in as soon
 as possible so they can stay on schedule and give the Executive Director his
 evaluation in a couple of weeks.
- President Romero stated that he and Vice President Swig are working with
 the facilitator in planning the Commission Retreat scheduled for June 23rd; if
 any Commissioner has any specific items they would like to be considered,
 please let either he or Commissioner Swig know.

8. REPORT OF THE EXECUTIVE DIRECTOR:

Director Blackwell updated the Commission on the progress of the adoption
of the Visitacion Valley Redevelopment Plan - It has made it through two
readings at the Board of Supervisors and after signature by the Mayor, the
Agency will have a new project area in the Visitacion Valley.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

- Commissioner Breed stated that it was her understanding that the Commission Secretary was being evaluated as well.
 - President Romero stated that the Evaluation Committee started the process of developing a draft form to be reviewed by the Executive Director and feedback will be then given to the Commission. A meeting will be scheduled to see if the review is taking place and if the evaluation form is final.
- Commissioner King asked when the Webster Towers project was going to be scheduled on the Agenda.
 - Director Blackwell stated that the Agenda setting committee would discuss the item and set a date to put the item on the Agenda.
- President Romero stated that two months ago there was discussion about adopting a policy that would apply to speakers at the Commission meetings concerning discriminatory remarks; the item is scheduled for the next Commission meeting.
 - Commissioner Covington requested that there be another iteration of the Commission line for the budget and asked for more details on the \$174,000. Ms. Covington also had a question about additional videotaping and broadcasting under miscellaneous since she did not recall any videotaping that the Commission has requested.



 Commissioner Swig stated that he requested additional information from the Commission Secretary and was emailed additional information.
 Commissioner Swig requested that the Commissioners receive that email.

10. CLOSED SESSION: None.

11. ADJOURNMENT:

It was moved by Commissioner King, seconded by Commissioner Singh, and unanimously carried that the meeting be adjourned at 6:00 p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED:

May 19, 2009







MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 19th DAY OF MAY 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 19th day of May 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Francee Covington Leroy King Darshan Singh

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And the following were absent:

Linda Chen

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Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.



4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA

- (a) Approval of Minutes: Meeting of May 5, 2009
- (b) Resolution No. 47-2009, Authorizing a Second Amendment to the Lease Agreement with Toshiba Financial Services, a California corporation, to extend the term, 90 days from May 31, 2009 through August 31, 2009, for two Estudio 520 Black and White Copiers and to increase the lease payment by \$2,500 for a total aggregate amount not to exceed \$56,600.
- (c) Resolution No. 48-2009, Authorizing a Second Amendment to the General Maintenance Agreement with Toshiba Business Solutions, a California corporation, to extend the maintenance term, 90 days from May 31, 2009 through August 31, 2009, for two Estudio 520 Black and White Copiers and to increase the contract amount by \$2,500 for a total aggregate amount not to exceed \$58,500.
- (d) Resolution No. 49-2009, Authorizing a Personal Services Contract with Helene Fried and Associates, a sole proprietorship, for a one-year term, with one, one-year extension, for a total aggregate contract amount not to exceed \$230,000, to provide support services related to implementation of the Cultural Historic Recognition Program on the Hunters Point Shipyard, including assisting with the commissioning, installation and maintenance of works of art; Hunters Point Shipyard Redevelopment Project Area.
- ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. (e) SWIG, AND UNANIMOUSLY CARRIED (WITH MS. CHEU ABSENT), THAT MINUTES FOR THE REGULAR MEETING OF MAY 5, 2009; RESOLUTION NO. 47-2009, AUTHORIZING A SECOND AMENDMENT TO THE LEASE AGREEMENT WITH TOSHIBA FINANCIAL SERVICES, A CALIFORNIA CORPORATION, TO EXTEND THE TERM, 90 DAYS FROM MAY 31, 2009 THROUGH AUGUST 31, 2009, FOR TWO ESTUDIO 520 BLACK AND WHITE COPIERS AND TO INCREASE THE LEASE PAYMENT BY \$2,500 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$56,600, RESOLUTION NO. 47-2009, AUTHORIZING A SECOND AMENDMENT TO THE LEASE AGREEMENT WITH TOSHIBA FINANCIAL SERVICES. CALIFORNIA CORPORATION, TO EXTEND THE TERM, 90 DAYS FROM MAY 31, 2009 THROUGH AUGUST 31, 2009, FOR TWO ESTUDIO 520 BLACK AND WHITE COPIERS AND TO INCREASE THE LEASE PAYMENT BY \$2,500 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$56,600, RESOLUTION NO. 48-2009, AUTHORIZING A SECOND AMENDMENT TO THE GENERAL MAINTENANCE BUSINESS SOLUTIONS. AGREEMENT WITH TOSHIBA



CALIFORNIA CORPORATION, TO EXTEND THE MAINTENANCE TERM, 90 DAYS FROM MAY 31, 2009 THROUGH AUGUST 31, 2009, FOR TWO ESTUDIO 520 BLACK AND WHITE COPIERS AND TO INCREASE THE CONTRACT AMOUNT BY \$2,500 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$58,500, RESOLUTION NO. 49-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH HELENE FRIED AND ASSOCIATES, A SOLE PROPRIETORSHIP, FOR A ONE-YEAR TERM, WITH ONE, ONE-YEAR EXTENSION, FOR A TOTAL AGGREGATE CONTRACT AMOUNT NOT TO EXCEED \$230,000, TO PROVIDE SUPPORT SERVICES RELATED TO IMPLEMENTATION OF THE CULTURAL HISTORIC RECOGNITION PROGRAM ON THE HUNTERS POINT SHIPYARD, INCLUDING ASSISTING WITH THE COMMISSIONING, INSTALLATION AND MAINTENANCE OF WORKS OF ART; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REGULAR AGENDA

(f) Resolution No. 50-2009, Adopting the Mayor's Policy on Discriminatory or Harassing Remarks Made at Public Meetings.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, (WITH MS. CHEU ABSENT), AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 50-2009, ADOPTING THE MAYOR'S POLICY ON DISCRIMINATORY OR HARASSING REMARKS MADE AT PUBLIC MEETINGS, BE ADOPTED.

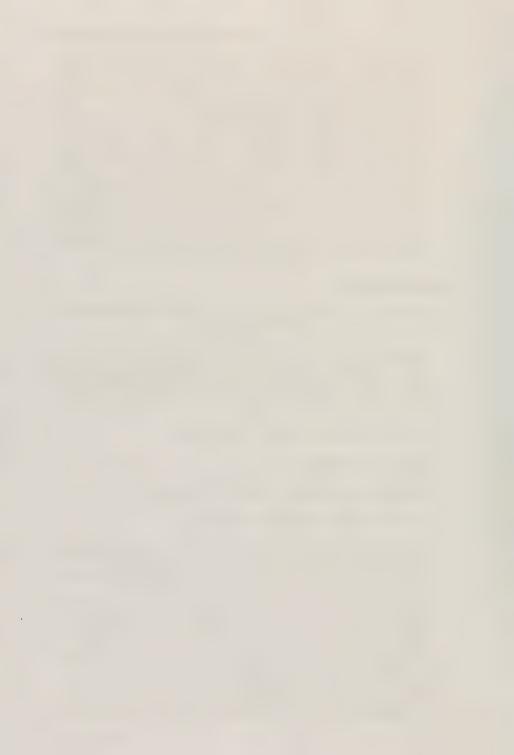
Presenter: James Morales, Agency General Counsel

Speakers: Ace Washington

Commissioner Swig put forth a motion to move Item 4(g).

Commissioner Singh seconded Mr. Swig's motion.

Commissioner Covington stated that her recollection for the item appearing on the agenda was her complaint about a speaker using a racial epithet repeatedly, and disparaging a particular group of people; she did not see the proposed policy addressing that issue nor that type of behavior. Ms. Covington stated that the policy resolution provides statements from Robert's Rules, among other things standards for decorum and debate, those standards apply to Commissioners discussions and deliberations, and provide that "a member can condemn the nature or likely consequence of the proposed measure in strong terms, but he [or she] must avoid personalities, and under no circumstances can he [or she] attack or question the motive of another member. The measure, not the member, is the subject of the date." Ms. Covington stated that she agreed with that statement but was off topic. She fully supports First Amendment Rights but has a problem with people coming



to the podium and spending three minutes haranguing the Commission using vile terms for a particular group of people, and should not be permitted by the President.

President Romero stated the agenda item and policy was a direct result of the concern expressed by Ms. Covington as she referred to in her comments about the gentlemen who was at the podium and used the "N" word. Mr. Romero stated that he asked Agency General Counsel to research the specific matter and found the policy adopted by other Agency Commissions in City Government. Mr. Romero stated that it is his understanding, after reading the memo and listening to the presentation by General Counsel Morales that this is as far as the policy can go in terms of approaching anything that may infringe upon any speakers First Amendment Rights.

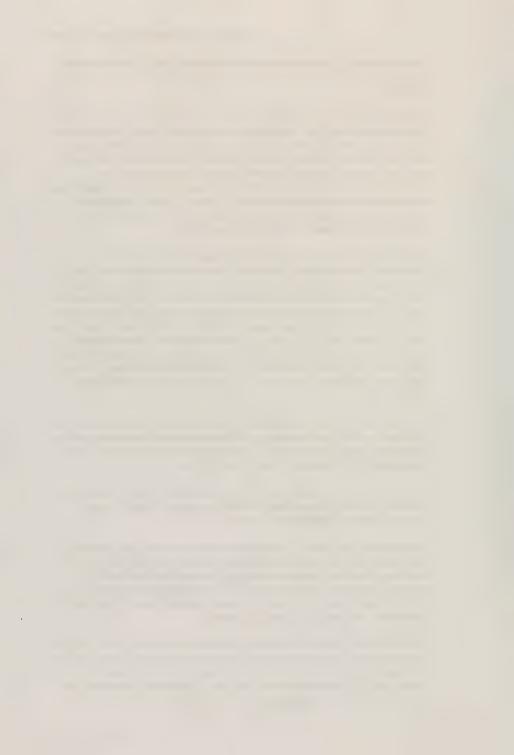
General Counsel Morales stated that the fundamental problem is trying to prohibit any form of speech. Ultimately, the extreme measure would be to have the person removed from the hearing room if they insisted upon talking to the Commission and in his opinion, is not allowed by either the Brown Act Book or First Amendment in the California Constitution. Mr. Morales stated that the policy allows the Commission to interrupt a speaker and to warn them about the Agency and City's policy of no discrimination, allows people to leave, and to clarify with the speaker that discriminatory comments will not be used in any way, shape, or form, by the Agency in its deliberations. A recess can also be called and then reconvened, which as a practical matter, calm things down.

Commissioner Covington stated that she had, on occasion, interrupted people who came up to the podium using profane language, and had great success in asking people not to use that type of language during the proceedings. She stated that all that is needed is a little more diligence.

President Romero stated that it is his hope that the policy is a step towards the right direction. Mr. Romero stated that he appreciated General Counsel Morales' efforts in addressing the situation.

Commissioner Swig asked for clarification that in the event that either he or the President are leading the meeting and a speaker proceeds to use profane language or insulting language or language that is offensive to racial or religious organizations or individuals, the person presiding the meeting would have the right, at that point, to ask the speaker to stop from speaking, and ask that speaker to suspend that type of language.

General Counsel Morales stated that the Commission would have the right to stop the speaker under the policy; state the non-discrimination policy, and say that anyone that is offended can leave the room, particularly Agency employees. Mr. Morales then stated that they could advise that speaker that any further use of that language would cause further interruptions, and if the



person continues with disruptive behavior, the person presiding the meeting can recess the meeting.

Commissioner Breed stated her overall concern is both derogatory and comments outside the context of the discussions not relevant to the subject matter. Ms. Breed stated what is needed is to have the President step up and make sure that when terms are being used that are inappropriate or off the subject matter, it be done more aggressively than it has been done in the past. Ms. Breed supports the policy but would like to see more enforcement when it comes to speakers who are disrespectful and who are taking the context of the discussion outside of what the discussion entails. Ms. Breed indicated that the personal attacks, the disrespect, and the citing that has no merit within the context of the conversation need to be addressed and halted immediately when it happens.

President Romero stated that he is very well aware of the fact that any personal attacks are out of order and has stopped those attacks in the past. The particular comment that engendered the policy be made, he did not believe the tone of voice of the speaker was necessarily hostile nor were the remarks made directly to any one individual, and stated that no one on the Commission objected at the moment when the remarks were made. Mr. Romero asked his fellow Commissioners not to hesitate to make a point of order and ask for that ruling if they think there is a remark that is made that either violates the policy or violates the Robert's Rules of Order. Mr. Romero stated that Ms. Breed recently made a point of order on the spot which was prompted by stating her objection due to personal remarks being made about her. Mr. Romero asked for the Commissioners assistance in enforcing the policy, and not to hesitate to make a point of order; he will stop the meeting immediately and ask for their point of order, ask that a ruling be made with the assistance of General Counsel to determine if the policy applies.

(g) Resolution No. 51-2009, Authorizing the issuance, sale and delivery of multifamily housing revenue bonds, in one or more series, in an aggregate principal amount not to exceed \$26,000,000 to assist Nihonmachi Terrace Limited Partnership with the financing of the acquisition and rehabilitation of affordable residential rental facilities known as Nihonmachi Terrace Apartments at 1615 Sutter Street and authorizing and approving related actions and authorizing the execution and delivery of related documents.

Presenter: Jeff White, Agency Staff

Speakers: Jeffrey Matsuoka, Bob Hamaguchi, Ace Washington

Commissioner Covington stated that Nihonmachi is a very important institution in the community, and indicated that the goal is to make the elderly more comfortable and to make sure they can enjoy their lives. Ms. Covington



put forth a motion to move item 4(f). Ms. Covington asked if grandchildren were allowed in the units.

Mr. White stated that grandchildren are allowed to live in the units if they are part of the household.

Commissioner Breed seconded Ms. Covington's motion

Commissioner Singh asked if, due to the economy, if the bonds will be able to sell at 6.5%.

Mr. White stated the bonds would sell at 6.5% due to a previous commitment.

President Romero asked if the Agency has the authority to rehabilitate and build housing anywhere in the City, including outside project areas.

General Counsel Morales stated that to be correct.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. BREED, (WITH MS. CHEU ABSENT), AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 51-2009, AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS, IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$26,000,000 TO ASSIST NIHONMACHI TERRACE LIMITED PARTNERSHIP WITH THE FINANCING OF THE ACQUISITION AND REHABILITATION OF AFFORDABLE RESIDENTIAL RENTAL FACILITIES KNOWN AS NIHONMACHI TERRACE APARTMENTS AT 1615 SUTTER STREET AND AUTHORIZING AND APPROVING RELATED ACTIONS AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS, BE ADOPTED.

(h) Resolution No. 52-2009, Authorizing a Personal Services Contract with Wallace Roberts and Todd, Inc., dba, WRT/Solomon E.T.C., a California corporation, for a one-year term, with two, one-year extensions, for a total aggregate contract amount not to exceed \$2,500,000, to provide design and planning services for the Community Facilities Parcel on the Hunters Point Shipyard; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: None

Commissioner Swig put forth a motion to move item 4(g). Mr. Swig requested that in the future staff provide more in-depth information of the firms, and resumes, which would allow the Commissioners to provide adequate due diligence and protect the public trust.



President Romero asked Director Blackwell if he would like the item continued so staff can provide the information requested by Mr. Swig or entertain the item now.

Director Blackwell stated he would like to entertain the item now, and will include full resumes from here forward.

Commissioner Singh seconded Mr. Swig's motion.

Commissioner Covington agreed with Mr. Swig's suggestions, however, she suggested the background and track record of the company would be sufficient.

Commissioner Breed agreed with Mr. Swig's and Ms. Covington's suggestions, and asked that brief information on panel members also be included. Ms. Breed also asked that certain terms be spelled out instead of being abbreviated.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (WITH MS. CHEU ABSENT), THAT RESOLUTION NO. 52-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH WALLACE ROBERTS AND TODD, INC., DBA, WRT/SOLOMON E.T.C., A CALIFORNIA CORPORATION, FOR A ONE-YEAR TERM, WITH TWO, ONE-YEAR EXTENSIONS, FOR A TOTAL AGGREGATE CONTRACT AMOUNT NOT TO EXCEED \$2,500,000, TO PROVIDE DESIGN AND PLANNING SERVICES FOR THE COMMUNITY FACILITIES PARCEL ON THE HUNTERS POINT SHIPYARD; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(i) Resolution No. 53-2009, Authorizing a Construction Contract with NCR Construction Inc., a California corporation, for an amount not to exceed \$1,899,136.00 for construction of improvements to Building 101 on the Hunters Point Shipyard, allowing Cal Pacific to withdraw its bid, and authorizing a lien and any related documents for the land under Building 101; Hunters Point Shipyard Redevelopment Project Area.

Director Blackwell stated that staff requests the item be continued to June 16th Commission due to a variety of obstacles that requires staff to rebid.

Speakers: None

General Counsel Morales clarified that the particular action is not being continued but rather the general subject matter of awarding a contract for the purpose.



<u>MOTION</u>: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 53-2009, BE CONTINUED TO THE JUNE 16TH COMMISSION MEETING.

5. MATTERS NOT APPEARING ON AGENDA: NONE

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

7. REPORT OF THE PRESIDENT:

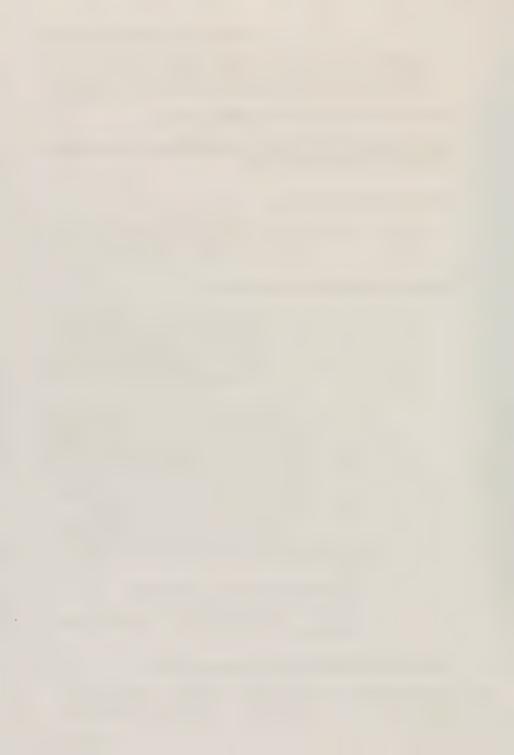
 President Romero stated that he and Vice President Swig met with Director Blackwell to plan the agenda for the Commission retreat scheduled for June 23, 2009.

8. REPORT OF THE EXECUTIVE DIRECTOR:

- Director Blackwell reported that the Budget process is scheduled for the
 next Commission meeting of June 2, 2009. The voting down of tentative
 agreements with Labor Unions within the City has resulted with the Mayor's
 Budget office working hard in producing a balanced budget to the Board of
 Supervisors. A full report and description of the following items will be
 presented June 2nd.
 - The Educational Revenue Augmentation Fund (ERAF) was the subject of a lawsuit by the California Redevelopment Association (CRA); CRA won the lawsuit at the lower court level with a ruling that Agencies should not be making that payment at this time. As a result, the \$5.9M held aside for the current fiscal year, as well as the \$6M set aside for the upcoming fiscal year is no longer needed and removed from the budget at the request of the Mayor's Office.
 - The line item for the Reserve Fund is being reexamined by the Budget office to make sure the Agency has the ability to pay retirement benefits as well as vacation pay when someone retires.
 - o Added side:
 - Increased support for the HOPE SF Program
 - Increased investment in the Bayview area
 - Support of operating subsidies for supportive housing projects that area Agency sponsored.

9. **COMMISSIONERS' QUESTIONS AND MATTERS:** None

CLOSED SESSION: (a) Pursuant to Section 54597 (b) (1) of the Government Code regarding personnel matters: evaluation of performance of the Commission Secretary.



10. CLOSED SESSION: (a) Pursuant to Section 54597 (b) (1) of the Government Code regarding personnel matters: evaluation of performance of the Commission Secretary.

11. ADJOURNMENT:

It was moved by Commissioner Singh, seconded by Commissioner Swig, and unanimously carried that the meeting be adjourned at 6:30p.m.

Respectfully submitted,

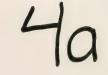
Gina E Sohs
Agency Secretary

ADOPTED:

June 2, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 2nd DAY OF JUNE 2009



The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 2nd day of June 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King Darshan Singh GOVERNMENT
DOCUMENTS DEPT

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Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:



CONSENT AGENDA

- (a) Approval of Minutes: Meeting of May 19, 2009.
- (b) Resolution No. 54-2009, Authorizing a Personal Services Contract with Poor People's Radio, Inc., a California nonprofit public benefit corporation, for a term of three years, in an amount not to exceed \$121,052.50 per year for a total aggregate amount not to exceed \$363,037.50 to provide redevelopment related community education and outreach through live radio broadcasts of Agency Commission meetings and other Agency related programs; All Redevelopment Project Areas.
- (c) Resolution No. 55-2009, Approving a fiscal year 2009-2010 operating budget in an amount not to exceed \$255,194 under the Maintenance and Management Agreement with the Port of San Francisco for the maintenance and management of Rincon Park; Rincon Point-South Beach Redevelopment Project Area.
- (d) Resolution No. 56-2009, Authorizing an extension of time for a Panel of Environmental Assessment Firms for a period of six months from June 7, 2009 to December 7, 2009; All Redevelopment Project and Survey Areas.

Commissioner Covington requested Agenda Item 4(b) be taken off consent for a staff presentation.

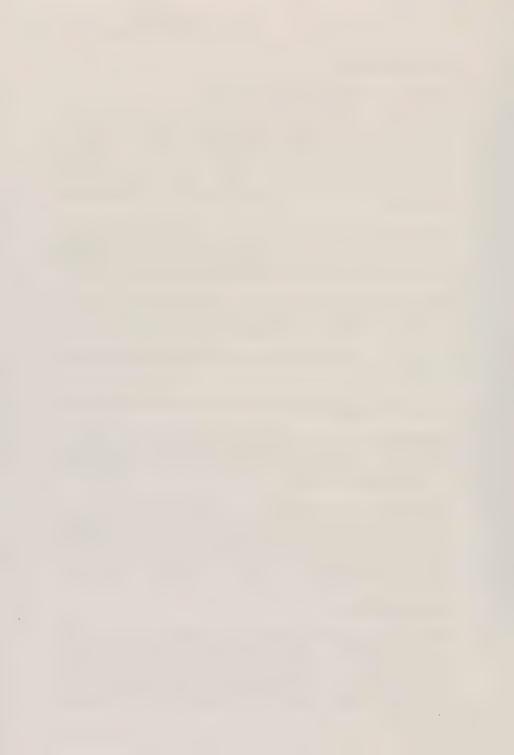
Commissioner King requested Agenda Items 4(c) and 4(d) be taken off consent for staff presentations.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, (WITH MS. CHEU ABSTAINING) AND UNANIMOUSLY CARRIED, THAT THE MINUTES FOR THE REGULAR MEETING OF MAY 19, 2009 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 56-2009, AUTHORIZING AN EXTENSION OF TIME FOR A PANEL OF ENVIRONMENTAL ASSESSMENT FIRMS FOR A PERIOD OF SIX MONTHS FROM JUNE 7, 2009 TO DECEMBER 7, 2009; ALL REDEVELOPMENT PROJECT AND SURVEY AREAS, BE ADOPTED.

REGULAR AGENDA

(b) Resolution No. 54-2009, Authorizing a Personal Services Contract with Poor People's Radio, Inc., a California nonprofit public benefit corporation, for a term of three years, in an amount not to exceed \$121,052.50 per year for a total aggregate amount not to exceed \$363,037.50 to provide redevelopment related community education and outreach through live radio broadcasts of Agency Commission meetings and other Agency related programs; All Redevelopment Project Areas.



Presenter: Gina E. Solis, Agency Staff, Terry Collins, KPOO

Speakers: Oscar James, Al Williams, Harrison Chasting, Arnold Townsend

Commissioner Covington requested that the Agency take full advantage of services stipulated in the contract such as public service announcements informing the public that there are housing opportunities, the Certificate of Preference Program, and other services the Agency offers which have not been utilized by the Agency; not at the fault of KPOO. Ms. Covington asked when the Agency anticipates hiring a Public Information Officer.

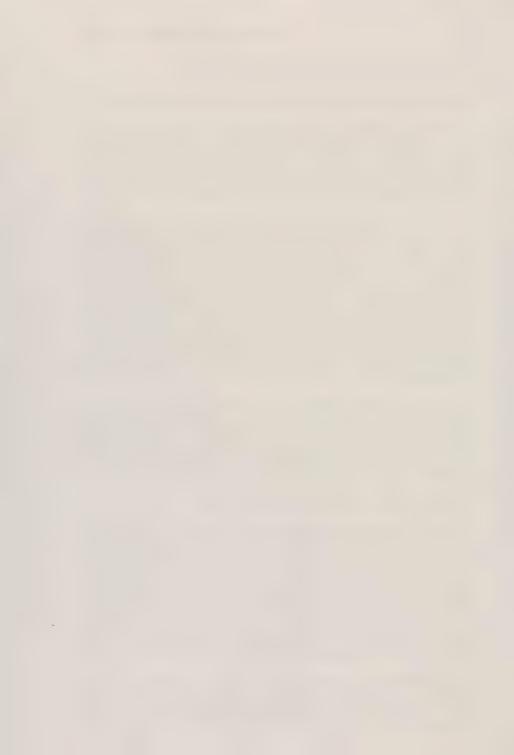
Director Blackwell indicated that the Agency would be working with KPOO to develop a schedule of Personal Services Announcements and forums on issues that are relevant to the communities the Agency serves. Mr. Blackwell stated with regard to the Public Information Officer issue, as a result of the budget crises, directives from the Mayor's Office and the Board of Supervisors to all Department Heads was to eliminate the Public Information Officer positions as a result of the budget crises. Mr. Blackwell stated that he is currently working out the various responsibilities performed by the Public Information Officer position within the Executive Office. Also, a communications audit in the next fiscal year is planned to go over the services utilized with KPOO as to what the Agency does on print and what is communicated with the PAC's and CAC's at the neighborhood level.

Commissioner Covington stated that she was glad to know that changes were in progress in terms of getting more information out about the agency's programs and housing opportunities. Ms. Covington indicated that Commission meetings are a small part of what the Agency does, and would like the public to be more informed as to the vital work performed by dedicated staff. Commissioner Covington put forth a motion to move Agenda Item 4(d).

Commissioner Cheu seconded Ms. Covington's motion.

Commissioner King stated that KPOO has been receiving the same contract amount since they began broadcasting, and with the proposed additional services Ms. Covington is suggesting, he would like KPOO to receive an increase other than the cost of living increase. Mr. King indicated that he receives calls throughout California from listeners of how they appreciate KPOO broadcasting the Commission meetings and other relevant meetings held by the Agency by keeping them informed since some members of the public are not able to attend the meetings at City Hall for various reasons. Mr. King stated that he supports the item for approval but also requested that there be an increase in funds for additional services as stated by Ms. Covington.

Commissioner Breed stated that she appreciates the service, hard work, KPOO's accessibility to the Community broadcasting Commission meetings and other agency related meetings, and consistently making themselves available to the community. Ms Breed indicated they KPOO has always been there when no



other media outlets were available with the type of services KPOO offered, especially in the African American community. Ms. Breed stated that she too receives a lot of feedback from constituents expressing their appreciation of KPOO's service to the community. Ms. Breed stated she supported approving the item and expressed that she looks forward to KPOO's continued work with the Agency.

President Romero stated that he became a regular listener of KPOO more than 30 years ago, and became much more aware of KPOO's services to the communities since becoming Commissioner. Mr. Romero stated that he also has received numerous letters of support over the years from KPOO listeners and read a letter from a listener thanking KPOO for broadcasting the numerous CAC and PAC meetings on the radio. Mr. Romero expressed his support of approving the item.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 54-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH POOR PEOPLE'S RADIO, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR A TERM OF THREE YEARS, IN AN AMOUNT NOT TO EXCEED \$121,052.50 PER YEAR FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$363,037.50 TO PROVIDE REDEVELOPMENT RELATED COMMUNITY EDUCATION OUTREACH THROUGH LIVE RADIO BROADCASTS OF AGENCY MEETINGS AGENCY COMMISSION AND OTHER PROGRAMS: ALL REDEVELOPMENT PROJECT AREAS-2009, BE ADOPTED.

(c) Resolution No. 55-2009, Approving a fiscal year 2009-2010 operating budget in an amount not to exceed \$255,194 under the Maintenance and Management Agreement with the Port of San Francisco for the maintenance and management of Rincon Park; Rincon Point-South Beach Redevelopment Project Area.

Presenter: Audrey Kay, Agency Staff

Speakers: None

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 55-2009, APPROVING A FISCAL YEAR 2009-2010 OPERATING BUDGET IN AN AMOUNT NOT TO EXCEED \$255,194 UNDER THE MAINTENANCE AND MANAGEMENT AGREEMENT WITH THE PORT OF SAN FRANCISCO FOR THE MAINTENANCE AND MANAGEMENT OF RINCON PARK; RINCON POINT-SOUTH BEACH REDEVELOPMENT PROJECT AREA, BE ADOPTED.



(d) Resolution No. 56-2009, Authorizing an extension of time for a Panel of Environmental Assessment Firms for a period of six months from June 7, 2009 to December 7, 2009; All Redevelopment Project and Survey Areas.

Presenter: Su-Syin Chou, Agency Staff

Speakers: None

Commissioner Swig called staffs attention to be more proactive in anticipating the end of terms so they do not come to the Commission for extensions because it places an exposure upon the Commission when asked to approve unconditionally an extension, especially when staff knows that the term is coming to an end. Mr. Swig stated that the Commission has expressed this concern to staff at previous meetings and would like to have more time to review the businesses performance and their status prior to the Commission approving or extending contracts. Mr. Swig put forth a motion to approve Item 4(d).

Commissioner Covington seconded Mr. Swig's motion.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 56-2009, AUTHORIZING AN EXTENSION OF TIME FOR A PANEL OF ENVIRONMENTAL ASSESSMENT FIRMS FOR A PERIOD OF SIX MONTHS FROM JUNE 7, 2009 TO DECEMBER 7, 2009; ALL REDEVELOPMENT PROJECT AND SURVEY AREAS, BE ADOPTED.

(e) Workshop to discuss the current workforce strategy which coordinates efforts between the Office of Economic and Workforce Development and the Agency in an effort to eliminate barriers to employment, streamline reporting, and improve training and placement services; All Redevelopment Project Areas.

Presenter: Steven Maduli-Williams, Agency Staff

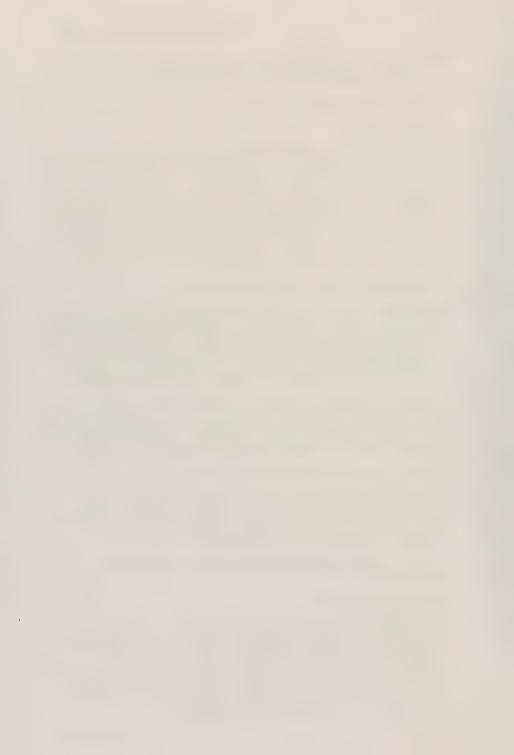
Speakers: Oscar James, Susan Murphy, Joseph Bryant, Jesse Mason, Al Williams, Steve Hanson, Terry Anders, Tedd Hunt, Angelo King, Don Marcos, Marvin Robinson, Mindy Kener, Joshua Arce, Mike Brown, Joantionette Hopkins, Gary Banks, Chris Jackson, Alonga Davis

The following are excerpts from Mr. Maduli-Williams' power point presentation:

SFRA Job Readiness (JRI)

Mission Statement

During the next three years the Agency hopes to launch the "SFRA Job Readiness Initiative (JRI)" with the goal of investing up to \$4 million over the next three years in workforce development programs with the intent of impacting the lives of 1,000 project area residents. By investing an average of \$4,000 per individual the Agency hopes to expand and strengthen the workforce development infrastructure in its respective project areas. In addition, SFRA hopes that JRI will accomplish the three following goals:



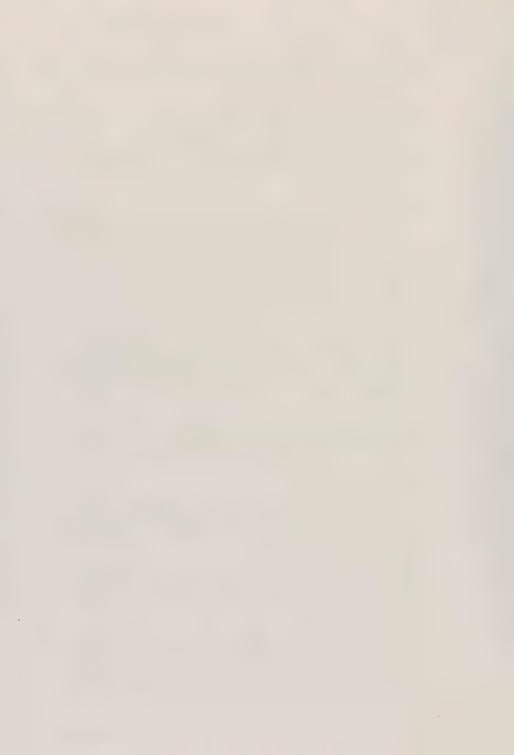
- · Secure jobs for project area residents
- Create job opportunities for people with barriers to employment
- Create pathways towards new careers
- Current Workforce Development Challenges
 - Need for Stronger Coordination and Communication
 - · Lack of Coordination with Unions as to local hiring goals
 - A disconnect between the job readiness of local workers and the job readiness levels required by contractors, resulting in low retention levels for local workers

· CBO Capacity Issues

- CBOs lack the capacity and staffing to supply the number of qualified job ready individuals needed to place in upcoming construction activities and to meet the anticipated job readiness need in Redevelopment Project Areas such as Bayview Hunter's Point and Visitacion Valley
- Most CBOs are unable to effectively offer all services needed to assist an individual to successfully become job ready
- CBOs are facing challenges including leadership, organizational development, staffing and shrinking funding
- Increased Community Level Conflict around Local Job Opportunities
 - Breakdowns in communications related to workforce hiring goals and objectives that have led to some community unrest and work stoppages
 - Contractors and community members are dissatisfied with the current method of placement
- Systems, Reporting and Workforce Goal Monitoring
 - Need for an upgrade of systems and technology to accurately track and identify local employment ready individuals by skill set

• Implementation Steps for JRI

- CityBuild as a Placement Partner in Southeast. In August of 2009, the Agency intends to enter into a letter agreement with CityBuild to provide construction related placement services to Southeast sector project area residents. This is inclusive of the Bayview, Shipyard Hunters Point, and Visitacion Valley Project Areas.
- RFP for a panel of Workforce Development Providers. During the 3rd Quarter of 2009, agency staff expects to prepare a RFP for commission approval that will select a number of workforce development providers to provide job readiness training as well as barrier removal services for southeast sector residents.
- RFP for Non Southeast Sector Placement Activities. During the 3rd
 Quarter of 2009 Agency staff expects to prepare an RFP for commission
 approval that will select a single provider for construction placement
 activities, job readiness training, and permanent employment placement
 (retail). This includes the Mission Bay, Transbay and South of Market
 project areas.



Implementation of New Reporting Systems (Elations). The Agency has
recently contracted with Elations Systems to develop a relational database
that tracks workforce and construction employment related data. The
Agency expects to use this system to generate detailed employment
tracking, CBO performance monitoring, as well as contractor compliance
reporting related to the Agency's workforce development goals.

Commissioner Breed stated that she appreciated all the feedback on the particular matter and expressed that job opportunities are difficult to come by especially the people in the community that she serves. She often finds herself in situations where she is personally assisting people in developing their resumes and GED opportunities. Ms. Breed stated that the Agency has monies that go into programs that are there to serve the community but indicated that some programs do not carry out what they have been hired to do. She expressed her frustration as a Commissioner when she has to work directly with residents who are frustrated with the various community organizations and groups such as CityBuild, the One Stops, and other entities that the Agency supports, but are not getting the services they need. Ms. Breed stated that she appreciated the points that were brought up on barriers that are in place that create problems such as the requirement of having a driver's license and past criminal background history. She indicated that there are people who are ready to work, are capable of learning, working, and being productive members of society but continue to face significant road blocks, but that the Agency needs to provide opportunities that are not just job training but also preparedness in terms of being at a point where they can actually get a job. Ms. Breed stated that she would like to see the Agency work with some of the existing CBO's who serve the clientele because they understand what the issues are, who the clientele are, and provide recommendations since some of them do not have the necessary skill set in order to implement the best program. Ms. Breed stated the key is consistency since some programs have been around for quite some time and would like to see ways to make their programs better and work for the city as a whole.

Ms. Breed stated that her other concern are construction jobs, and as one of the speakers mentioned, job retention is a huge problem because she knows in most construction projects she has found that the residents are usually hired to hold up stop signs or hold certain jobs that are not necessarily considered work. She pointed out that when those opportunities are no longer needed, there are no community people on those job sites. Ms. Breed stated that at last year's job workshop, she and Commissioner Covington mentioned the fact that they wanted to explore other opportunities; small business development, real estate, and other trades since she and Ms. Covington expressed their frustration with the fact that the Agency seemed to focus on construction jobs and not about the millions of dollars that are spent on many other projects; when job opportunities come up people are scrambling to try to get community members trained in a timely manner to get them into these particular fields. Ms. Breed stated that she is not completely content with what is being proposed and would like to see a more hands approach in working with the community, and schedule more meetings to hear their concerns and suggestions on workforce. Ms. Breed



pointed out that the South of Market Hiring Hall was a good example of how a good program works; they consistently work and meet with people in assessing their skills and give them the type of attention and guidance in taking steps to qualify them for certain jobs. Ms. Breed stated that she does not want only construction opportunities but would like the Agency to work with existing CBO's and examine what is working, how the Agency works with organizations, and where it's not working to implement some of those strategies to help make them better. Ms. Breed expressed her concern about creating a whole new system because it is not what she has asked for in the past as a Commissioner, and asked staff to revisit the program and to take into consideration her comments as well as the comments expressed by members of the public.

Commissioner Breed asked if the Agency was actively pursuing the possibility of other career opportunities within the network, and how the Agency is training people for all the major job opportunities that will become available other than retail and construction jobs.

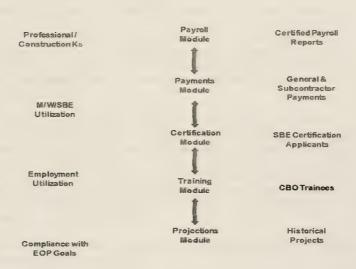
Director Blackwell stated that in terms of the barrier removal component, it is industry neutral. The three points are: addressing soft skills training issues; workforce development since construction jobs are the bulk of the funding; and the Cal works dollars, Weir dollars, the one stop funding, community development block grant funding, general fund money, economic stimulus money, and Department of Labor and DCYF money that goes towards a variety of workforce development activities that gets funded and coordinated through the Mayor's Office of Economic and Workforce Development (MOEWD). Mr. Blackwell stated that the plan is to work with MOEWD to make sure that those dollars are being leveraged to provide the type of infrastructure that is needed for the jobs that is being created as a result of the Agency's investment.

Commissioner Covington stated that on *page 10 of the handout in reference to the Elations software module, it would be helpful to see what it is that Elation does at a future meeting. Ms. Covington pointed out that as a member of the group that meets on workforce issues, as an example in terms of construction, if a hospital is being built what are the other jobs that would be coming out of that once it's built. Ms. Covington indicated that the projections module portion of Elations is going to be designed to help project what types of jobs will become available and then make sure that training is available so those jobs can be filled. Ms. Covington stated that the projections module portion is a very important component of the work that staff is working on in conjunction with other members of the City community, including the unions.



*Elations - Software Modules

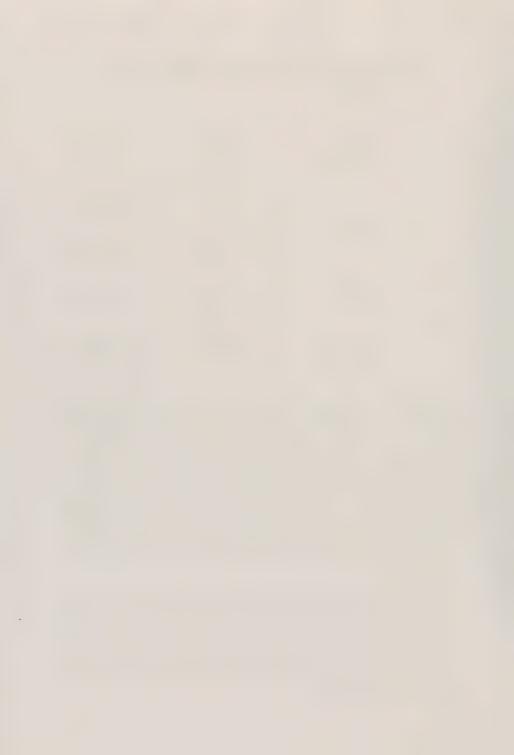
New Project Creation



Commissioner Swig stated that the goal is to stimulate jobs from the immediate neighborhood and the general San Francisco community with the broadest possible diversity. Mr. Swig stated, as communicated by Commissioner Covington, that there be a broader view beyond construction and retail jobs due to its limitations and would like to see the vertical nature of those jobs incorporated into training people. Mr. Swig underscored the importance of infrastructure; identify and develop the infrastructure needs to give people an opportunity. He stated that it is critical that there be some accountability to make sure that there is a hard core link between employment and the projects; project developers, contractors, construction managers, and hiring halls must all be held accountable to fulfill their end and hire local community people, San Francisco being first. Mr. Swig stated that he was very pleased with the Elations software because the measurement of success is critically important.

Commissioner Cheu stated that the Agency has made great investments in real estate and physical infrastructure in the communities but the piece that goes with that is investing in the human infrastructure. Ms. Cheu noted that it was clear from the presentation and public comments how difficult and complicated it is with the many different entities, funding sources, and restrictions. She stated that it was a good start and was glad that there is some time to get feedback before it is finalized. Ms. Cheu asked what the process is for feedback, how set is the model, and how much room is there for change.

10



Mr. Maduli-Williams stated that staff's plan was to start the planning process once they received feedback from the Commission and the public from the presentation of this workshop. He indicated that staff envisions meeting with all the CAC's and PAC's and a variety of CBO's they currently do business with including new CBO's to see what is the best way to engage them. He indicated that there have been informal focus grouping but would like to bring a larger group together in the future to talk about issues such as: (1) does this make sense, (2) capacity issues, (3) funding issues, and (4) how do they help the groups come up with their own sustainable funding models. Mr. Maduli-Williams indicated that there are a lot of the details in terms of the operations of the mechanics which they purposely did not start because they wanted to start on the community engagement model before getting a solid plan in place.

Commissioner Cheu stated that she would like to include workforce issues as a topic of discussion at the Commission Retreat. Ms. Cheu asked that staff provide the Commission with CityBuild's track record and data on their performance and evaluation since it was mentioned they would be taking on a larger role. Ms. Cheu stated on the issue of other industries, it is important to create permanent ongoing jobs as well as temporary constructions jobs, and that it is very important that job opportunities in all sectors be available, as well as the coordination between different entities such as City College.

Commissioner Romero expressed his appreciation on behalf of the Commission for everyone's input into the presentation.

FIVE MINUTE RECESS

(f) Resolution No. 57-2009, Conditionally approving the Schematic Design for Open Space Parcels P26 and P27 in the Mission Bay South Redevelopment Project Area pursuant to the Owner Participation Agreement with FOCIL-MB; LLC and adopting environmental findings pursuant to the California Environmental Quality Act; Mission Bay South Redevelopment Project Area.

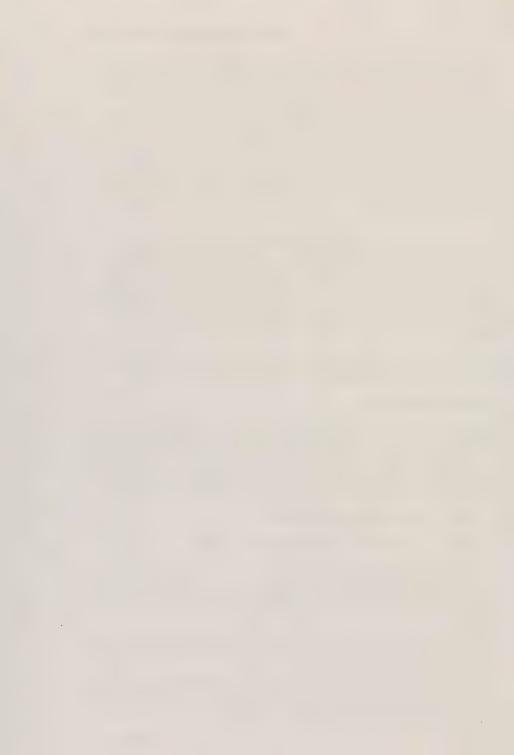
Presenter: Catherine Reilly, Agency Staff

Speakers: Corinne Woods, Donna Dellera, Devin Simons

Commissioner Swig stated that he worked on the site 40 years ago in a warehouse that was once there, and expressed that he was glad to see the evolution taking place in the neighborhood and approved the design as presented. Mr. Swig put forth a motion to move the item.

Commissioner Cheu seconded Mr. Swig's motion and expressed that she too approved of the design and its reference to the cultural history of the site, as well as the vision towards future users.

Commissioner Covington agreed with her fellow Commissioners comments on the incorporation of the historical elements, both cultural and economical. Ms. Covington inquired as to who would be responsible for the upkeep and maintenance of the park once it's built.



Ms. Reilly stated the Agency would be responsible until 2043, and then from property owners within Mission Bay with CFD funds for the upkeep.

Commissioner Singh stated that he was pleased with the park which will benefit residents and businesses. He asked when they anticipate the park opening.

Ms. Reilly stated the first stage would be the construction of the hospital which would be built towards the end of 2014 with the construction of the park following.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 57-2009, CONDITIONALLY APPROVING THE SCHEMATIC DESIGN FOR OPEN SPACE PARCELS P26 AND P27 IN THE MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA PURSUANT TO THE OWNER PARTICIPATION AGREEMENT WITH FOCIL-MB; LLC AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(g) Resolution No. 58-2009, Approving proposed changes to the budget for the period July 1, 2009 through June 30, 2010 and authorizing the Executive Director to submit the Budget to the Mayor's Office.

Presenter: Amy Lee, Agency Staff

Speakers: None

Commissioner Singh put forth a motion to move Item 4(g). Commissioner Covington seconded Mr. Singh's motion.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 58-2009, APPROVING PROPOSED CHANGES TO THE BUDGET FOR THE PERIOD JULY 1, 2009 THROUGH JUNE 30, 2010 AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT THE BUDGET TO THE MAYOR'S OFFICE, BE ADOPTED.

- 5. MATTERS NOT APPEARING ON AGENDA: None
- 6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speakers: Oscar James, Jesse Mason, Marvin Robinson



7. REPORT OF THE PRESIDENT:

- Evaluations for the Commission Secretary were due this date and only three were received; extended submission of evaluations until the end of the week.
- Discussion during Agenda review suggested that the Executive Director's evaluation be added as a closed session item for the Meeting of June 16th.
- Retreat June 23rd; asked fellow Commissioners for suggestions for the final agenda.
- President and Director will be on vacation the first meeting in July, polled Commissioners to cancel the July 7th meeting.

8. REPORT OF THE EXECUTIVE DIRECTOR:

- Asked for clarification if the July 7th Commission meeting was cancelled.
 - President Romero stated after polling all Commissioners, it was confirmed that the July 7th meeting is cancelled.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

- Commissioner Swig requested the draft agenda be sent to the Commissioners, advising them what their initial thoughts are towards the agenda, and seeking their immediate feedback as to items they would like added to the agenda.
 - Commissioner Cheu stated she would like to discuss strategic planning, workforce, economic development, and small business development to the retreat agenda.

10. CLOSED SESSION: None.

11. ADJOURNMENT:

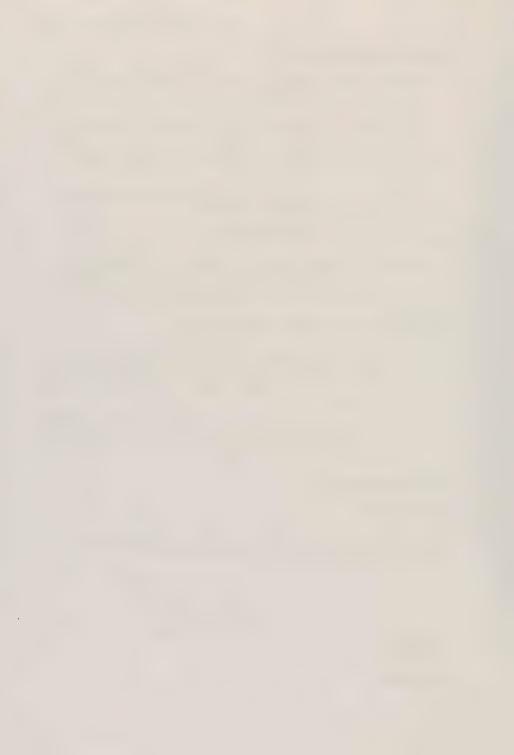
It was moved by Commissioner King, seconded by Commissioner Breed, and unanimously carried that the meeting be adjourned at 7:30 p.m.

Respectfully submitted,

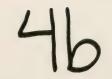
Gina E. Solis

ADOPTED:

August 4, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO AND THE SPECIAL MEETING OF THE FINANCING AUTHORITY HELD ON THE 16th DAY OF JUNE 2009



The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 16th day of June 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King Darshan Singh DOCUMENTS DEPT

SAN FRANCISCO PUBLIC LIBRARY

Fred Blackwell, Executive Director, and staff members were also present.

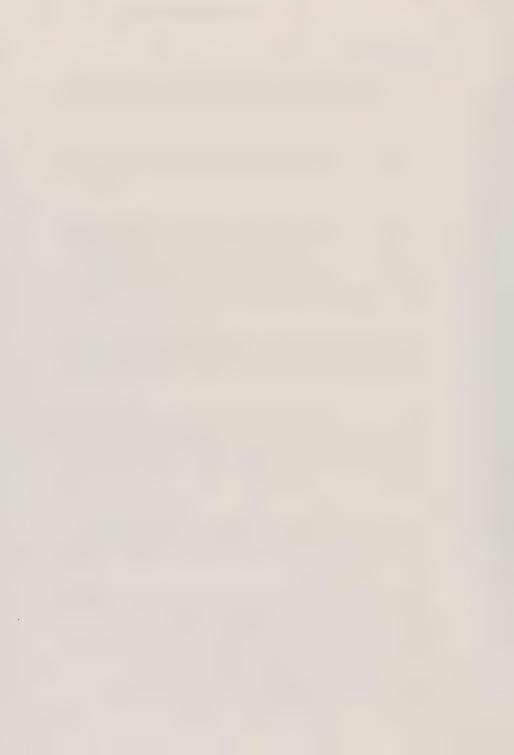
- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:



CONSENT AGENDA

- (a) Resolution No. 59-2009, Authorizing a 2009-2010 Fiscal Agent Agreement with the County of San Mateo in an amount not to exceed \$779,300, from July 1, 2009 to June 30, 2010; Housing Opportunities for Persons with AIDS Program.
- (b) Resolution No. 60-2009, Authorizing a 2009-2010 Fiscal Agent Agreement with the County of Marin in an amount not to exceed \$375,940, from July 1, 2009 to June 30, 2010; Housing Opportunities for Persons with AIDS Program.
- (c) Resolution No. 61-2009, Authorizing a Fourth Amendment to the Personal Services Contract with Business Development, Inc., a California Corporation, to extend the term of the contract for two months from June 30, 2009 to August 31, 2009 in an amount not to exceed \$38,460, for a total aggregate amount not to exceed \$622,210, to provide fiscal agent and administrative support services to the Bayview Hunters Point Project Area Committee; Bayview Hunters Point Redevelopment Project Area.
- (d) Resolution No. 62-2009, Intention to annex territory (Block X-4) to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 5 (Mission Bay Maintenance District) and to authorize the levy of special taxes therein; Mission Bay South Redevelopment Project Area.
- (e) Resolution No. 63-2009, Authorizing the Executive Director to apply for and, if awarded, to accept approximately \$25 Million in Neighborhood Stabilization Program-2 Funds from the United States Department of Housing and Urban Development ("HUD") for use in the development of approximately 100 units of affordable rental housing; Hunters Point Shipyard Project Area.
- (f) Resolution No. 64-2009, Authorizing a Personal Services Contract with Kelley & VerPlanck, a California Corporation, for a one-year term in an amount not to exceed \$150,000, with two one-year extensions, to conduct a Historic Resources Survey and Context Statement; Bayview Hunters Point Redevelopment Project Area.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 59-2009, AUTHORIZING A 2009-2010 FISCAL AGENT AGREEMENT WITH THE COUNTY OF SAN MATEO IN AN AMOUNT NOT TO EXCEED \$779,300, FROM JULY 1, 2009 TO JUNE 30, 2010; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM, RESOLUTION NO. 60-2009, AUTHORIZING A 2009-2010 FISCAL AGENT AGREEMENT WITH THE COUNTY OF MARIN IN AN AMOUNT NOT TO EXCEED \$375,940, FROM JULY 1, 2009 TO JUNE 30,



2010: HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM; RESOLUTION NO. 61-2009, AUTHORIZING A FOURTH AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH BUSINESS DEVELOPMENT, INC., A CALIFORNIA CORPORATION, TO EXTEND THE TERM OF THE CONTRACT FOR TWO MONTHS FROM JUNE 30, 2009 TO AUGUST 31, 2009 IN AN AMOUNT NOT TO EXCEED \$38,460, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$622,210. TO PROVIDE FISCAL AGENT AND ADMINISTRATIVE SUPPORT SERVICES TO THE BAYVIEW HUNTERS POINT PROJECT AREA COMMITTEE: BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; RESOLUTION NO. 62-2009, INTENTION TO ANNEX TERRITORY (BLOCK X-4) TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 5 (MISSION BAY MAINTENANCE DISTRICT) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA: RESOLUTION NO. 63-2009. AUTHORIZING THE EXECUTIVE DIRECTOR TO APPLY FOR AND, IF AWARDED, TO ACCEPT APPROXIMATELY \$25 MILLION IN NEIGHBORHOOD STABILIZATION PROGRAM-2 FUNDS FROM THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") FOR USE IN THE DEVELOPMENT OF APPROXIMATELY 100 UNITS OF AFFORDABLE RENTAL HOUSING: HUNTERS POINT SHIPYARD PROJECT AREA: RESOLUTION NO. 64-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH KELLEY & VERPLANCK, A CALIFORNIA CORPORATION, FOR A ONE-YEAR TERM IN AN AMOUNT NOT TO EXCEED \$150,000, WITH TWO ONE-YEAR EXTENSIONS, TO CONDUCT A HISTORIC RESOURCES SURVEY AND CONTEXT STATEMENT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

President Romero called a recess of the Redevelopment Agency Commission meeting and called the Special meeting for the City and County of San Francisco Redevelopment Financing Authority to consider items on the Financing Authority Agenda, after which the Redevelopment Agency Commission will reconvene to consider the remaining agenda.

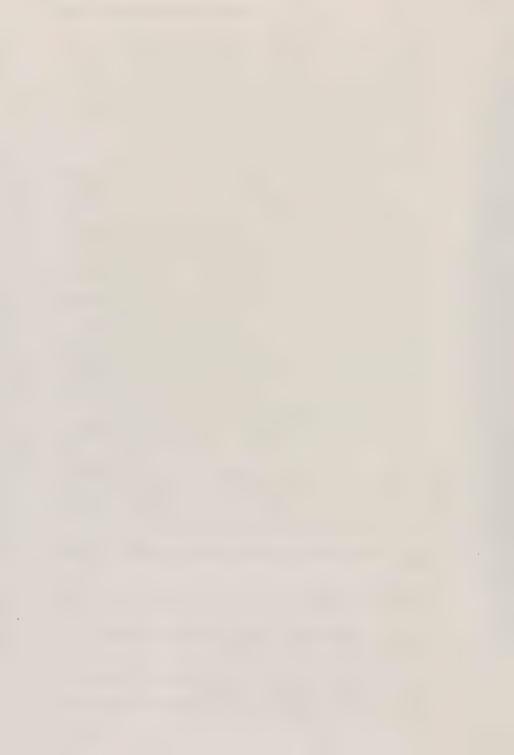
1. Election of Officers (calendar year 2009): Chairman, Vice-Chairman, and Board Secretary.

Commissioner Covington, Chair, entertained the nominations for the office of Chairman of the Financing Authority.

Commissioner King nominated Commissioner Romero for Chairman. Commissioner Singh seconded the nomination.

It was moved by Mr. King, seconded by Mr. Singh, and unanimously voted Mr. Romero as Chairman of the Financing Authority.

Commissioner Romero, Chair, entertained the nominations for the office of Vice Chairman of the Financing Authority.



Commissioner Singh nominated Commissioner Swig as Vice-Chairman. Commissioner King seconded the nomination.

It was moved by Mr. Singh, seconded by Mr. King, and unanimously voted Mr. Swig as Vice-Chairman of the Financing Authority.

Commissioner Romero, Chair, entertained the nominations for the office of Board Secretary of the Financing Authority.

Commissioner Singh nominated Commission Secretary Solis as Board Secretary.

Commissioner Romero seconded the nomination.

It was moved by Mr. Singh, seconded by Mr. Romero, and unanimously voted Ms. Solis as Board Secretary of the Financing Authority.

2. Matters of New Business:

- (a) Resolution No. 1-2009, Authorizing the Issuance of the 2009 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) in an amount not to exceed \$75,000,000; approving forms of an Indenture of Trust, Loan Agreements, and Official Statement; authorizing the negotiated sale of the bonds, and authorizing and approving other matters properly relating thereto; (Bayview Hunters Point Redevelopment Project Area – Project Area B, Mission Bay North Project Area, Mission Bay South Project Area, Rincon Point - South Beach Redevelopment Project Area, Transbay Redevelopment Project Area, Former Western Addition Redevelopment Project Area A-2 and Yerba Buena Center Approved Redevelopment Project Area D-1.
- (b) Resolution No. 2-2009, Authorizing the Issuance of the 2009 Series B Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) in an initial aggregate principal amount not to exceed \$25,000,000; approving forms of an Indenture of Trust, Loan Agreements, and Official Statement; authorizing the negotiated sale of the bonds, and authorizing and approving other matters properly relating thereto (Bayview Hunters Point Redevelopment Project Area – Project Area B, South of Market Redevelopment Project Area, Transbay Redevelopment Project Area, and Yerba Buena Center Approved Redevelopment Project Area D-1).
- (c) Resolution No. 3-2009, Authorizing the Issuance of the 2009 Series C Tax Allocation Revenue Bonds (Mission Bay North and Mission Bay South Redevelopment Projects) in an initial aggregate principal amount not to exceed \$70,000,000; approving forms of an Indenture of Trust, Loan Agreements, and Official Statement; authorizing the negotiated sale of the bonds, and authorizing and approving other matters properly relating thereto (Mission Bay North Project Area and Mission Bay South Project Area).



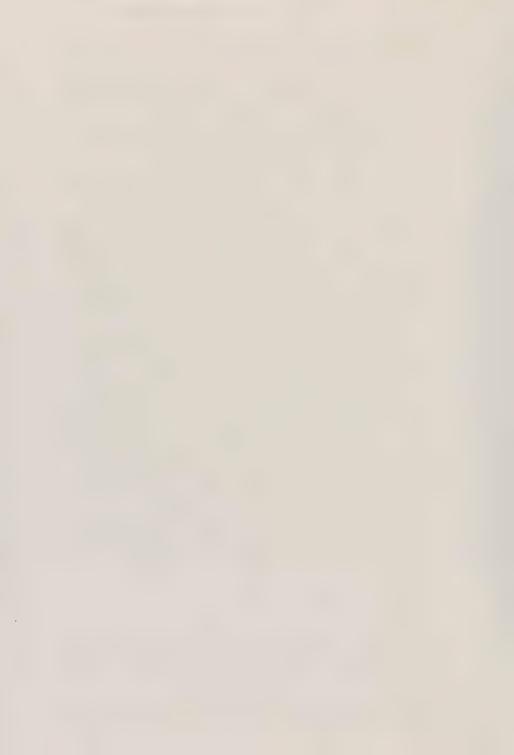
ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 1-2009, AUTHORIZING THE ISSUANCE OF THE 2009 SERIES A TAXABLE TAX ALLOCATION REVENUE BONDS (SAN FRANCISCO REDEVELOPMENT PROJECTS) IN AN AMOUNT NOT TO EXCEED \$75,000,000: APPROVING FORMS OF AN INDENTURE OF TRUST. LOAN AGREEMENTS, AND OFFICIAL STATEMENT; AUTHORIZING THE NEGOTIATED SALE OF THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO: (BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA – PROJECT AREA B. MISSION BAY NORTH PROJECT AREA, MISSION BAY SOUTH PROJECT AREA, RINCON POINT - SOUTH BEACH REDEVELOPMENT PROJECT AREA, TRANSBAY REDEVELOPMENT PROJECT AREA. FORMER WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2 AND YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1: RESOLUTION NO. 2-2009, AUTHORIZING THE ISSUANCE OF THE 2009 SERIES B TAX ALLOCATION REVENUE BONDS (SAN FRANCISCO REDEVELOPMENT PROJECTS) IN AN INITIAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000; APPROVING FORMS OF AN INDENTURE OF TRUST. LOAN AGREEMENTS, AND OFFICIAL STATEMENT; AUTHORIZING THE NEGOTIATED SALE OF THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO (BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA – PROJECT AREA B. SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, TRANSBAY REDEVELOPMENT PROJECT AREA. AND YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1): RESOLUTION NO. 3-2009, AUTHORIZING THE ISSUANCE OF THE 2009 SERIES C TAX ALLOCATION REVENUE BONDS (MISSION BAY NORTH AND MISSION BAY SOUTH REDEVELOPMENT PROJECTS) IN AN INITIAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$70,000,000; APPROVING FORMS OF AN INDENTURE OF TRUST, LOAN AGREEMENTS, AND OFFICIAL STATEMENT; AUTHORIZING THE NEGOTIATED SALE OF THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO (MISSION BAY NORTH PROJECT AREA AND MISSION BAY SOUTH PROJECT AREA), BE ADOPTED.

Presenter: John Daigle, Agency Staff

Speakers: None

President Romero adjourned the Special meeting of Redevelopment Financing Authority and reconvened the Redevelopment Agency Commission meeting to consider the remaining agenda.

(g) Resolution No. 65-2009, Authorizing the execution of Loan Agreements in an aggregate principal amount not to exceed \$75,000,000 relating to the issuance



of the 2009 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) by the City and County of San Francisco Redevelopment Financing Authority; approving the final Official Statement relating to the bonds, and authorizing and approving other matters properly relating thereto (Bayview Hunters Point Redevelopment Project Area – Project Area B, Mission Bay North Project Area, Mission Bay South Project Area, Rincon Point - South Beach Redevelopment Project Area, Transbay Redevelopment Project Area, Former Western Addition Redevelopment Project Area A-2 and Yerba Buena Center Approved Redevelopment Project Area D-1).

- (h) Resolution No. 66-2009, Authorizing the execution of Loan Agreements in an aggregate principal amount not to exceed \$25,000,000 relating to the issuance of the 2009 Series B Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) by the City and County of San Francisco Redevelopment Financing Authority; approving the final Official Statement relating to the bonds, and authorizing and approving other matters properly relating thereto (Bayview Hunters Point Redevelopment Project Area Project Area B, South of Market Redevelopment Project Area, Transbay Redevelopment Project Area, and Yerba Buena Center Approved Redevelopment Project Area D-1).
- (i) Resolution No. 67-2009, Authorizing the execution of Loan Agreements in an aggregate principal amount not to exceed \$70,000,000 relating to the issuance of the 2009 Series C Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) by the City and County of San Francisco Redevelopment Financing Authority; approving the final Official Statement relating to the bonds, and authorizing and approving other matters properly relating thereto, (Mission Bay North Project Area and Mission Bay South Project Area).

Presenter: John Daigle, Agency Staff

Speakers: None

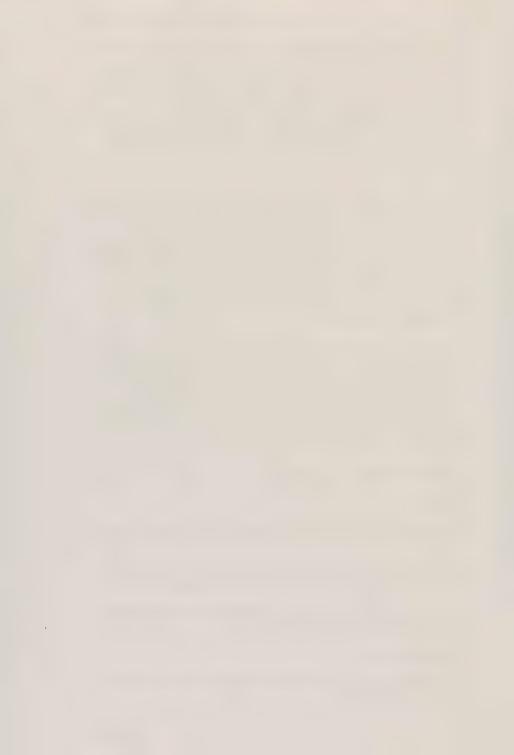
Commissioner Swig asked where the estimates of allocable project area tax revenues come from.

Mr. Daigle stated the available revenues are based on the last certified tax rolls; there are no projections involved in selling the bonds.

Commissioner Swig asked, in terms of the bonds, are the tax rates estimated to be flat to what the last taxation level was.

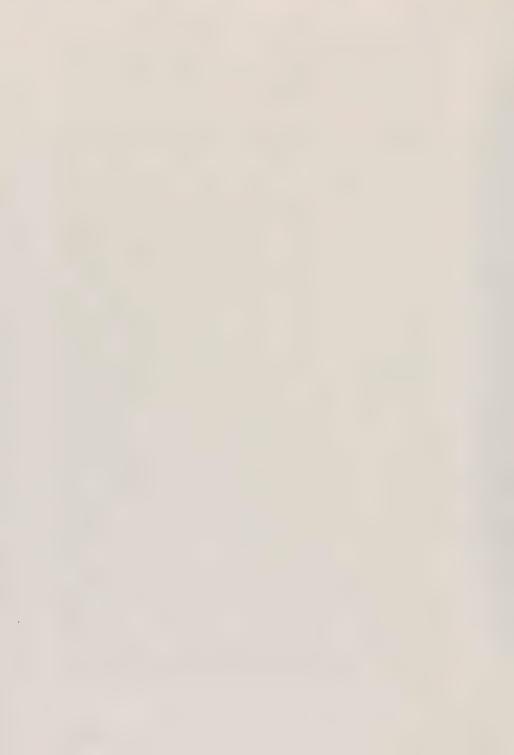
Mr. Daigle confirmed.

Commissioner Swig asked if there is any consideration for an economic kick up that may take it down.



Mr. Daigle state the market does not allow you to make forecast on rates, they look at what's already there in terms of assessed value. In terms of reduction in the assessed value, the Agency's bonds are sold with a parity test of 125%; in order to issue bonds, the Agency has to show that the current assessed value provides 125% of the debt service.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED THAT RESOLUTION AUTHORIZING THE EXECUTION OF LOAN AGREEMENTS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$75,000,000 RELATING TO THE ISSUANCE OF THE 2009 SERIES A TAXABLE TAX ALLOCATION REVENUE BONDS (SAN FRANCISCO REDEVELOPMENT PROJECTS) BY THE CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY: APPROVING THE FINAL OFFICIAL STATEMENT RELATING TO THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO (BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA - PROJECT AREA B. MISSION BAY NORTH PROJECT AREA. MISSION BAY SOUTH PROJECT AREA, RINCON POINT - SOUTH BEACH REDEVELOPMENT PROJECT AREA, TRANSBAY REDEVELOPMENT PROJECT AREA, FORMER WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2 AND YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1): RESOLUTION NO. 66-2009. AUTHORIZING THE EXECUTION OF LOAN AGREEMENTS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000 RELATING TO THE ISSUANCE OF THE 2009 SERIES B TAX REVENUE (SAN ALLOCATION BONDS FRANCISCO REDEVELOPMENT PROJECTS) BY THE CITY AND COUNTY OF SAN REDEVELOPMENT FINANCING FRANCISCO **AUTHORITY:** APPROVING THE FINAL OFFICIAL STATEMENT RELATING TO THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO (BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA - PROJECT AREA B, SOUTH OF REDEVELOPMENT PROJECT AREA. REDEVELOPMENT PROJECT AREA, AND YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1): RESOLUTION 67-2009. AUTHORIZING THE EXECUTION OF LOAN AGREEMENTS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$70,000,000 RELATING TO THE ISSUANCE OF THE 2009 SERIES C TAX ALLOCATION REVENUE BONDS (SAN FRANCISCO REDEVELOPMENT PROJECTS) BY THE CITY AND COUNTY OF SAN REDEVELOPMENT FRANCISCO FINANCING **AUTHORITY:** APPROVING THE FINAL OFFICIAL STATEMENT RELATING TO THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO, (MISSION BAY NORTH PROJECT AREA AND MISSION BAY SOUTH PROJECT AREA), BE ADOPTED.



(j) Resolution No. 68-2009, Upholding the Executive Director's decision to deny Western Commercial Partnership I, LLC's March 12, 2009 written request to the Agency to pay half the cost of repairs to the privately owned walkway in front of Webster Tower & Terrace at 1489 Webster Street based on the Agency's lack of authority to pay for improvements to private property without an additional public benefit.

Presenter: Tracie Reynolds

Speakers: Arnold Townsend, Ace Washington, Randall Evans

Commissioner King stated that he does not support the Director's decision and asked that the Commission take some time to and go to Webster Street to look at the bricks which he said is a bad design and not safe. Mr. King stated that the Developer is proposing to pay for half the cost to correct the problem which he approves. Mr. King stated that he is not aware of where it says that you cannot put public money into a project; he disagreed and suggested that staff get the opinion from the State Attorney General.

Commissioner Romero asked if there have been other times where the Agency's Counsel have advised the Commission of legal matters and have sought assistance from the City Attorney. Mr. Romero stated that he did not recall asking for an opinion from the State Attorney General's office before, and asked what would be the appropriate venue to go to if the Commission was to decide to get another opinion.

Director Blackwell stated that he was not aware of any precedent of seeking the State Attorney General's opinion but if that were the pleasure of the Commission, they would do so.

Commissioner Romero asked Mr. King if the Commission seeks a second opinion, would he be in agreement of obtaining the opinion from the City Attorney's office.

Commissioner King agreed.

Commissioner Swig asked for clarification of the current easement. It was his understanding that Mr. Townsend stated that there is a potential for the property owner to close the easement and preclude community people from Fillmore Street to Webster for easy access to Japantown.

Ms. Reynolds stated that was not so, the ECR contemplates that it would be dedicated to the City but in the event it is not dedicated to the City, it must remain a public right of way for 50 years which would expire in 2036.

Commissioner Swig repeated, for clarification purposes, regardless of what the landowner would want to do, the landowner would be in breach of the law if he closed the easement. Mr. Swig asked, since the developer built the building and took responsibility as part of the easement agreement, has the property owner at any time set the precedent of improving or maintaining the walkway in any way, shape or form.



Ms. Reynolds stated it was repaired and restored in 1990 after construction was finished due to damage caused during construction. If there was any damage done to the Plazas and diagonal walkway during construction of Webster Tower and Terrace, Mr. Szeto was required to repair and restore them to their original condition. Ms. Reynolds stated the Agency was responsible for the sidewalks in 2001 due to the encroachment permits when the sidewalks were installed which indicated that the Agency would take care of the special sidewalks until the CDB, the City, or adjacent property owner would reach an agreement to take them over. CBD did not want to take over the sidewalks; the Agreement with the City is that they are receiving \$1.8M for future responsibility in repairing all the sidewalks on Fillmore Street.

Mr. Swig asked whose jurisdiction it would fall under until 2036.

Ms. Reynolds stated that it is Mr. Szeto's private property.

Mr. Swig asked, if the Commission took an action to support the financing of the repair of the easement, would it place the Commission into a breach of California Law and expose the Agency Commission and the Agency to legal exposure.

Counsel Penick stated that would be a possibility. If the Commission chose to fund the project in some way, Agency staff would have to find a public benefit; Agency staff does not believe there is an additional public benefit. Mr. Penick indicated that an agreement 20 years ago was made with Mr. Szeto to get development rights for property in exchange for a fifty year easement, the developer is not offering the Agency or the public anything in addition to what it already has in exchange for the funding request. Agency staff would have to go back and find the additional public benefit and present it to the Commission in order to make it not a gift of public funds. Mr. Penick stated, in the absence of that, the Agency Commission, and the Agency would be exposed to liability.

President Romero stated that the Agendized item is to uphold the denial of the request for the financial assistance to repair the sidewalk and asked if the Commission can make a motion to fund the matter.

Counsel Penick stated that the Commission cannot, it would have to be a separate item at another scheduled Commission meeting.

Commissioner Swig clarified if the Commission moved the item; they would vote in support of the Executive Director, if the Commission goes against the item, the Commission would then vote against the recommendation of the Executive Director.

Counsel Penick confirmed.

Commissioner Swig moved the item.



Commissioner Cheu asked for confirmation of the amount being asked to invest.

Ms. Reynolds stated an exact amount has not been requested, all that has been requested is half the cost. An estimate from DPW ranged from \$240,000 to repair the sidewalks and pour concrete, the other estimate is \$365,000 to reinstall the pavers. Ms. Reynolds stated the estimates do not include work required to correct significant drainage issues, and an estimate of pouring concrete would require an engineer to prepare the design.

Commissioner Cheu asked for a description of the physical condition of the walkway.

Rev. Arnold Townsend stated that the sidewalk is in disrepair due to 20 years of usage and no repair work has been done since its installation. Rev. Townsend stated that the only repair that has been made to the sidewalk is the corner by the Gene Suttle Plaza when the Agency repaired the Plaza, which is considered Mr. Szeto's private property, but has all the easements on it. It was repaired because it was in disrepair and part of the sidewalk had to be repaired because, as Mr. Townsend stated, that is the easement people use to get to the other side from the Gene Suttle Plaza.

Commissioner Cheu asked what the criteria are for defining what an additional public benefit would be.

Counsel Penick stated that it would be up to the Commission's discretion. It would have to point to some benefit that is generally beneficial to the public that the Agency is getting in exchange for the amount of money being expended. Mr. Penick stated that in this case, staff is having a difficult time finding the additional benefit because the owner is already required to keep the sidewalk there for 50 years; he is not suggesting that he will be doing anymore than that.

Commissioner Cheu asked if the sidewalk was in such disrepair and would be a danger to the public, would it be a public benefit to have a safe sidewalk.

Counsel Penick stated that it is the owner's responsibility to keep their property in a safe condition. If someone was to trip and fall on the sidewalk, they would sue Mr. Szeto and his company, and they would be liable for that loss. Mr. Penick stated it would be in Mr. Szeto's best interest to maintain the sidewalk and to provide property insurance to guard against those risks.

Commissioner Cheu asked if the Agency would have any liability if anyone injured themselves.

Counsel Penick stated that the Agency would not be liable, the ECR is very clear that each private property owner is responsible for their own property. If the Agency were to be sued by either the person who injured themselves or Mr. Szeto's Company, the Agency would rely on the ECR which states that it is not the Agency's responsibility, but in fact Mr. Szeto's.



Commissioner Cheu asked if the item fails, would there be an option to ask Staff to explore the public benefit issue and come back to the Commission with further information

Counsel Penick stated that would be one option but the public benefit was only one of several reasons why the Director made his decision. He stated that it would be the power of the Commission to reconsider the matter at another meeting.

Commissioner Cheu asked if the Agency would pay for the repairs, would a precedent be set for other property owners.

Director Blackwell stated that it would set a precedent to other property owners.

Commissioner Singh asked if someone was injured, whose responsibility it would be

Counsel Penick stated the primary responsibility belongs to the property owner.

Commissioner Singh put forth a motion to continue the item.

President Romero stated a motion was put forth to approve the item which was not seconded, and a motion to continue the item which was not seconded.

President Romero asked if the walkway was not present during construction.

Ms. Reynolds stated that all the pavers were removed and set aside and then put back later after the construction was completed.

President Romero stated the excerpt from the ECR on repairs, "further agrees that during the construction of the WCP building.... it shall repair and restore its sole cost and expense..... Mr. Romero stated that language was preferenced during the construction more than 25 years ago.

Ms. Reynolds stated the excerpt is from the ECR that indicates that Mr. Szeto has to repair the sidewalk during construction.

President Romero asked if Mr. Szeto did so when he had the walkway back in.

Ms. Reynolds stated yes.

President Romero stated it is not applicable to 30 years later.

Ms. Reynolds stated in Attachment A, page 31; the excerpt states the continual ongoing maintenance and repair obligation.



President Romero asked for clarification that one of the options open to the owner was to turn title of the walkway over to the City and if there have been any discussions in doing so.

Ms. Reynolds stated that there have been discussions and the City has opted not to because they do not want to take on the liability.

President Romero stated that Mr. Swig's motion has been seconded by Ms. Covington to uphold the Executive Director's decision, and Mr. Romero seconded Mr. Singh's motion to continue the item.

The Commission Secretary called the roll for Mr. Swig's motion, seconded by Ms. Covington to approve the item as it appears on the agenda:

Commissioner	Breed	Aye
Commissioner	Cheu	Abstained
Commissioner	Covington	Aye
Commissioner	King	Nay
Commissioner	Romero	Nay
Commissioner	Singh	Nay
Commissioner	Swig	Aye

There are three Ayes' and three Nays', and one abstention - the motion did not pass.

The Commission Secretary called the roll for Mr. Singh's motion to continue the item with the understanding that there will be a second option from the City Attorney's Office, seconded by Mr. Romero:

Commissioner Breed	Nay
Commissioner Cheu	Aye
Commissioner Covington	Aye
Commissioner King	Aye
Commissioner Romero	Aye
Commissioner Singh	Aye
Commissioner Swig	Aye

There are six Ayes', and one Nye. The motion passes.

(k) Resolution No. 69-2009, Authorizing a Personal Services Contract with Willie B. Kennedy, a sole proprietorship, dba W. B. Kennedy & Associates, for a 3-year term in an amount not to exceed \$986,950, to manage the Agency's Hunters Point Shipyard Site Office and to provide outreach and administrative support services to the Hunters Point Shipyard Citizens Advisory Committee and the Agency; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Amabel Akwa-Asare, Agency Staff, Ms. Willie B. Kennedy

Speakers: Ms. Willie B. Kennedy, Terry Mitchell, Andre Wright, Randall Evans, Ace Washington



Commissioner Swig stated that he recognizes Ms. Willie B. Kennedy as a respected former member of the San Francisco Board of Supervisors, former member of the Board of Directors for BART, numerous other positions held in the Community, and as a result, has a very strong legislative financial and management background to handle the responsibilities. Mr. Swig stated, based on the testimonies, letters of support, and Community support for her organization, that he fully supports Ms. Kennedy and her group. Mr. Swig put forth a motion to approve the item.

Commissioner King seconded Mr. Swig's motion. Mr. King stated Ms. Kennedy was on the Redevelopment Agency Commission with Mr. King prior to becoming a Board of Supervisor and commended her for her great work.

Commissioner Covington agreed that Ms. Kennedy and her staff are held in very high esteem. Ms. Covington supported the item.

President Romero thanked Ms. Kennedy for her services to the City.

Commissioner Singh also thanked Ms. Kennedy for her services.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. RESOLUTION NO. 69-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH WILLIE B. KENNEDY, A SOLE PROPRIETORSHIP, DBA W. B. KENNEDY & ASSOCIATES, FOR A 3-YEAR TERM IN AN AMOUNT NOT TO EXCEED \$986,950, TO MANAGE THE AGENCY'S HUNTERS POINT SHIPYARD SITE OFFICE AND TO PROVIDE OUTREACH AND ADMINISTRATIVE SUPPORT SERVICES TO THE HUNTERS POINT SHIPYARD CITIZENS ADVISORY COMMITTEE AND THE AGENCY; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

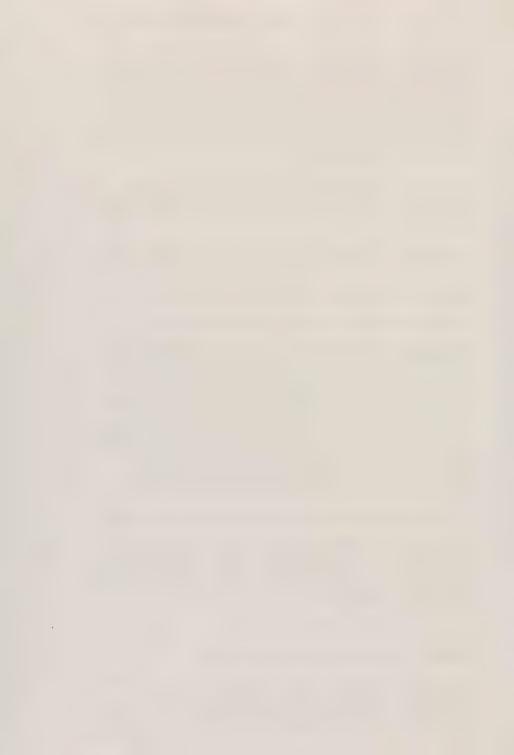
Agenda Items 4(1) & 4(m) were presented together, but acted on separately.

(I) Resolution No. 70-2009Authorizing a Letter Agreement with the Mayor's Office of Community Investment in an amount not to exceed \$1,474,140 for the administration of contracts with four community-based organizations to provide economic development services from July 1, 2009 to June 30, 2010; All Redevelopment Project Areas.

Presenter: Angela Heyward, Agency Staff

Speakers: Al Norman, Michael Theriault, Terry Anders

Commissioner Covington stated the item to be very important, the economic development and workforce development, particularly of underserved communities in the City should be of paramount concern of those with the Agency. Ms. Covington enthusiastically put for a motion to adopt the item.



Commissioner Cheu enthusiastically seconded the item and welcomed new staff.

Commissioner Breed asked why the administrative fee is 15% and not 10% and asked if there were substantive basis for the current rate.

Director Blackwell stated his experience as the former Director of MOCI who administered the program; he stated the true cost of administering the program is in the range of 20-25%. They were receiving 5% of administrative fee prior to him becoming Director of MOCI which required them to subsidize the Agency. MOCI staff is supported by CDBG funds, not general funds, and their ability to administer the program needs to come from other sources of support. The 15% includes staff time associated with administering the program, a web based monitoring and reporting system which is expensive to maintain, and a portion of the overhead of the office.

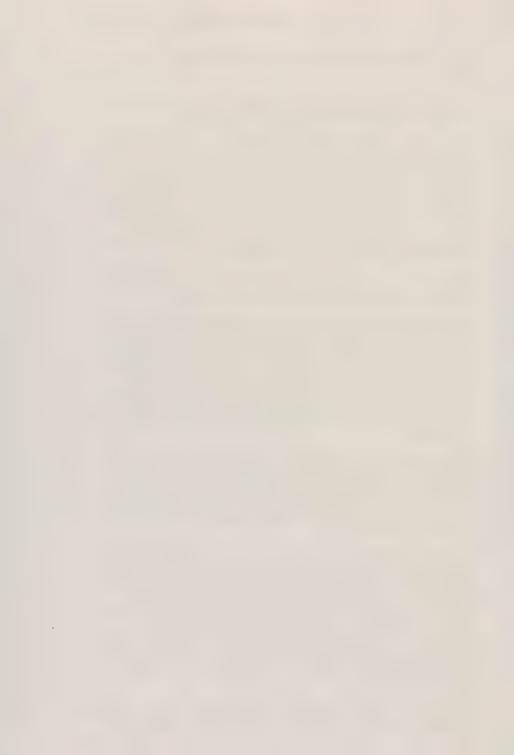
President Romero agreed with Ms. Covington's remarks and believes it will be money well spent; he expressed his support of both items.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. CCHEU, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 70-2009, AUTHORIZING A LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF COMMUNITY INVESTMENT IN AN AMOUNT NOT TO EXCEED \$1,474,140 FOR THE ADMINISTRATION OF CONTRACTS WITH FOUR COMMUNITY-BASED ORGANIZATIONS TO PROVIDE ECONOMIC DEVELOPMENT SERVICES FROM JULY 1, 2009 TO JUNE 30, 2010; ALL REDEVELOPMENT PROJECT AREAS, BE ADOPTED.

(m) Resolution No. 71-2009, Authorizing a Third Amendment to the Amended and Restated Letter Agreement with the Mayor's Office of Community Investment, in an amount not to exceed \$458,112 for the administration of contracts with two community-based organizations to provide workforce development services from July 1, 2009 to December 31, 2009; All Redevelopment Project Areas.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. CCHEU, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 71-2009, AUTHORIZING A THIRD AMENDMENT TO THE AMENDED AND RESTATED LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF COMMUNITY INVESTMENT, IN AN AMOUNT NOT TO EXCEED \$458,112 FOR THE ADMINISTRATION OF CONTRACTS WITH TWO COMMUNITY-BASED ORGANIZATIONS TO PROVIDE WORKFORCE DEVELOPMENT SERVICES FROM JULY 1, 2009 TO DECEMBER 31, 2009; ALL REDEVELOPMENT PROJECT AREAS, BE ADOPTED.

(n) Resolution No. 72-2009, Authorizing a Personal Services Contract with MJM Management Group, a California corporation, for property management of



Yerba Buena Gardens for an initial term of 36 months, for a monthly management fee of \$10,143, with an Agency option to extend the contract for one additional 36-month period, with a 3% increase in the monthly management fee, for a total aggregate amount of \$741,252, subject to appropriation of funds; Yerba Buena Center Redevelopment Project Area.

Presenter: Cathy Pickering, Agency Staff

Speakers: Richard Schaff, Kristina Lleva, Jesse Jacobs, Father Ed Dura, Randall Evans, Bernadette Sy

Commissioner Swig thanked MJM for their diligence and care for one of San Francisco's jewels, the Yerba Buena Gardens. Mr. Swig asked in anticipation of the project area expiring December 31, 2009, given the contract is for six years, he asked what the ramifications were in approving a long term contract when the long term oversight of the neighborhood has yet to be determined.

Director Blackwell stated with the expiration of the project area, the Agency looses the ability to continue to collect tax increment for redevelopment purposes and loose land use jurisdiction. The Agency will however, continue to maintain ownership of property and responsibility for property the Agency owns in the project area. Mr. Blackwell stated the funding source for the contract come from leases with the Metreon, the Marriott, and others with property the Agency owns; the funding stream does not go away but will be a funding stream that the Agency will have and maintain, and have the responsibility to govern post expiration of the project area. Mr. Blackwell stated the oversight in place for the contract is set on a monthly basis reviewing the monthly reports submitted by MJM and walk through the Gardens in terms of maintenance. Mr. Blackwell indicated that Staff based the six year contract on MJM's ability to do the job well and the complexity of the task, as well as the ability to receive real time data with regard to performance rather than coming back to the Commission in three year increments.

Commissioner Singh seconded Mr. Swig's motion.

Commissioner Cheu stated that she was very impressed; she was not aware of all the programs and complexity of the management of the Gardens. She expressed her support of the item.

Commissioner Covington stated that the Agency should look into the 100% Green Waste and Recycling Program as part of future best practices for the mini parks that are under the Agency's portfolio. Ms. Covington requested for an informational memo on the program. Ms. Covington emphasized that the people who are the citizens of the City and County of San Francisco should have unfettered access to the Gardens as much as possible. Ms. Covington expressed her support for the item.

Commissioner Breed stated the Gardens are one of the best maintained areas in the City and is expressed how proud she is as a Commissioner of what is



offered at the Yerba Buena as a whole. Ms. Breed expressed her support for the item.

President Romero asked how long MJM has had the contract.

Ms. Pickering stated 16 years.

President Romero asked if the option for the additional three years would be exercised by the Executive Director of the Commission.

Ms. Pickering stated that the option would be exercised by the Executive Director.

President Romero stated that MJM has been performing an excellent job and thanked all the people who work for the Gardens for taking the time for attending to show their support. Mr. Romero stated that it was very important that they attended so the Commission can see who the members of MJM's team are that do a wonderful job. Mr. Romero stated he supported the item.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 72-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH MJM MANAGEMENT GROUP, A CALIFORNIA CORPORATION, FOR PROPERTY MANAGEMENT OF YERBA BUENA GARDENS FOR AN INITIAL TERM OF 36 MONTHS, FOR A MONTHLY MANAGEMENT FEE OF \$10,143, WITH AN AGENCY OPTION TO EXTEND THE CONTRACT FOR ONE ADDITIONAL 36-MONTH PERIOD, WITH A 3% INCREASE IN THE MONTHLY MANAGEMENT FEE, FOR A TOTAL AGGREGATE AMOUNT OF \$741,252, SUBJECT TO APPROPRIATION OF FUNDS; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(o) Resolution No. 73-2009, Authorizing the Executive Director to award Contract No. HPS 001-09 to Angotti & Reilly, Inc., a California corporation, for an amount not to exceed \$1,797,733 for construction of improvements to Building 101 on the Hunters Point Shipyard and authorizing a lien and any related documents for the land under Building 101; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: Al Norman

Commissioner Swig pointed out that in Mr. Kaslofsky's verbal statement and in the discussion on page three, "Agency staff will work with Angotti & Reilly and local workforce development institutions such as CityBuild to maximize local worker participation in the construction contract". Mr. Swig stated that it is does not specify how that will be accomplished; the Commission has expressed that the Agency goes beyond "maximize" to



implement, ensure, and mandate the use of local workforce. Mr. Swig requested how the tactics associated with "maximize" to ensure that the Agency will be using local workforce and providing jobs for the neighborhood.

Mr. Kaslofsky indicated that staff would be meeting with Angotti & Reilly to introduce them to CityBuild staff to explain their process and how they can seek out workers for the project.

Mr. Villacarlos stated that the word "maximize" comes from EDA requirements. Staff is currently in the process of creating a process that meets EDA requirements and conferring with CityBuild so they can come to some sort of agreement as to whom that process will take place and how they can maximize employment opportunities for the Shipyard.

Commissioner Swig stated that he looks forward to the focus on employing people from the immediate community, with the same enthusiasm as he would like to move the item.

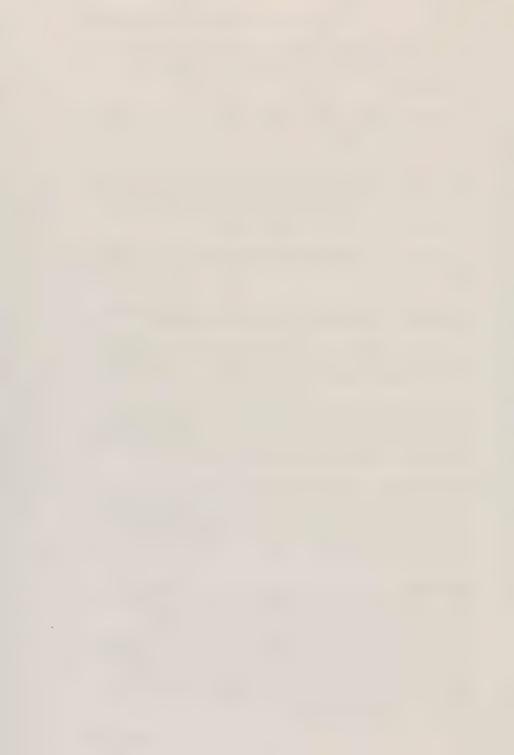
Commissioner Covington concurred with Mr. Swig's comments but asked how they get to the percentage that would represent maximization.

Mr. Kaslofsky stated there are not set numbers because they are Federal EDA requirements. The workforce numbers are a target which cannot be mandated, but a goal staff hopes Angotti & Reilly will achieve.

Commissioner Covington stated that there was mention in the presentation that Angotti was very responsive to including local minority owned firms and hopes that is embedded in their business model. Ms. Covington requested that the Commission be updated on conversations of employing local people. Commissioner Covington seconded Mr. Swig's motion.

President Romero stated that it should be kept in mind that some contractors have employees who have worked for them for many years and appreciate their efforts in including local residents. Mr. Romero expressed his concern and that of his fellow Commissioners that the local workforce is trained properly. Mr. Romero stated that he appreciates Angotti & Reilly's efforts and supports the item.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 73-2009, AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD CONTRACT NO. HPS 001-09 TO ANGOTTI & REILLY, INC., A CALIFORNIA CORPORATION, FOR AN AMOUNT NOT TO EXCEED \$1,797,733 FOR CONSTRUCTION OF IMPROVEMENTS TO BUILDING 101 ON THE HUNTERS POINT SHIPYARD AND AUTHORIZING A LIEN AND ANY RELATED DOCUMENTS FOR THE LAND UNDER BUILDING 101; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.



5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS: None.

7. REPORT OF THE PRESIDENT:

- July 7th Commission meeting cancelled
- Commission Retreat scheduled for June 23rd
- Next regularly scheduled Commission meeting is July 21st

8. REPORT OF THE EXECUTIVE DIRECTOR:

- Provided update at the State level in regards to Redevelopment Agency budgets
- Suspended indefinitely RFP for Block A

9. COMMISSIONERS' QUESTIONS AND MATTERS:

Commissioner Swig reported that the Community Benefits Fund Business Development Grant Program (CBF), a partnership between Urban Solutions and the Redevelopment Agency, (funds approved by the Commission) was submitted to the National Development Council Academy 2009 awards for recognition in the showcasing of Innovative Community Development Projects. The conference was held in Washington, DC May 12-14. The National Development Council debuted the first-ever Project Showcase to recognize innovative work of community development practitioners around the country. The Project Showcase provided communities the opportunity to submit innovative projects and present them to Academy participants. National Development Council issued and received an overwhelming response to the call for projects with more than 200 submissions The CBF program was the only project selected from the State of California in the Community Development track. The program was among only 12 projects form the entire country for the specific category. The CBF project was recognized as a semi-finalist and received a ribbon and plaque at the National Development Council Academy 2009 Project Showcase Awards Ceremony that was held on May 12, 2009 at a reception on Capitol Hill in the Hart Senate Building.

Commissioner Swig complimented Commissioner Breed who was a major proponent in pushing this forward along with Commissioner Covington. Mr. Swig stated they are in the last half of the process and will be determining the second half of the grants by mid July.



10. <u>CLOSED SESSION</u>: (a) Pursuant to government code section 54956.9(a): Conference with Legal Counsel (Erickson, Beasley & Hewitt, LLP) regarding litigation: Redevelopment Agency of the City and County of San Francisco, Plaintiff, vs. Branch Limited Partnership, an Oregon Limited Partnership; I.M. and S.I. Patel Living Trust, All persons unknown claiming an interest in the property; and Does One through Fifty, inclusive, Defendants.

11. ADJOURNMENT:

It was moved by Commissioner, seconded by Commissioner, and unanimously carried that the meeting be adjourned at 7:40 p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED:

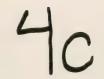
August 4, 2009







MINUTES OF A SPECIAL MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 23rd DAY OF JUNE 2009



The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a special meeting at the South Beach Harbor, The Embarcadero, Pier 40, in the South Beach Harbor Community Room, San Francisco in the City of San Francisco, California, at 9:00 a.m. on the 23rd day of June 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 9:00 a.m., welcomed members of the public, and asked that cell phones and pagers be turned off during the meeting.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King Darshan Singh GOVERNMENT DOCUMENTS DEPT

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Fred Blackwell, Executive Director, and Jim Morales, Agency General Counsel were also present.

President Romero welcomed everyone and stated that she was glad to see a 100% participation of the Commissioners on the retreat. Mr. Romero introduced Ms. Aileen Hernandez, who facilitated the Commission retreat.

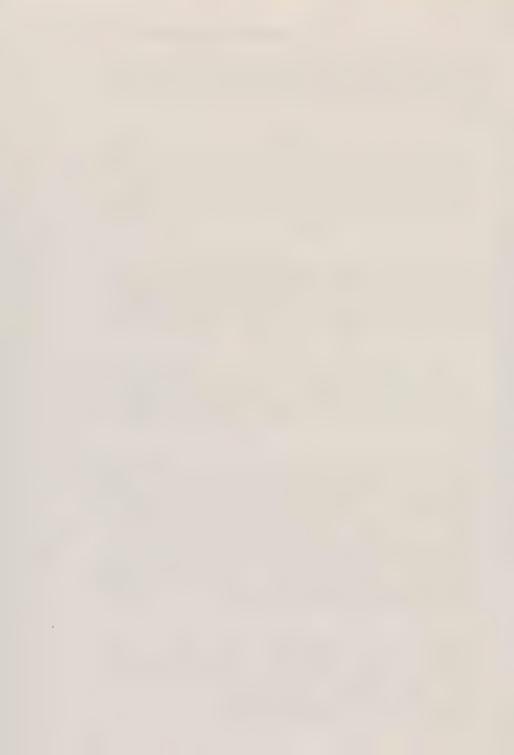
2. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS: None.

- 3. The Commission of the Redevelopment Agency will hold a retreat for the purpose of discussing the following:
 - (a) Discussion on Expiring Project Areas and Emerging Project Areas
 - (b) Agency Operations prioritized:
 - Communications
 - Infrastructure
 - Workforce



Director Blackwell gave an overview of the recently expired, current, and emerging Agency projects. Director Blackwell explained that among the impacts of closing out a redevelopment project area is the loss of tax increment financing which provides resources for the Agency's work. The current status of Agency projects is as follows:

- Western Addition A-2: Closed as of January 1, 2009. The Muni substation project has been sold back to the City since a viable plan and developer have not been identified. Land use decisions revert to the City Planning Department. On the recommendation of the Commission, the Board of Supervisors voted unanimously to approve an extension of the deadline for the use of certificates of preference issued to former residents.
- The Yerba Buena Center Project: Scheduled to sunset on January 1, 2010. Agency staff has already begun to reduce its responsibility for specific areas. Third and Folsom has already been moved to the Mayor's Office of Planning. City Planning is already working on 706 Mission and the Mayor's Office has taken the initiative on all projects with environmental implications. Tenant improvement programs remain with the Agency.
- Transbay Center: Agency staff is involved in the discussions taking place on the proposed high rise residential towers in the Transbay Terminal area and are working with City partners on options. The Block 8 project is being projected to start in 2010 and to be completed by 2015. Several developers are under consideration.
- Visitacion Valley: Things are moving well and there is a good relationship with the community that has been built over a ten-year period. The Board has approved the program with a unanimous vote. The area is well defined. No tax increment is involved and relations with the prime (Schlage) are congenial; First Source and other City policies will apply and there is a diversity of contractors on the project. Schematics for the model blocks should be available soon. Phase 2 should begin by the end of 2009. Commissioners reaffirmed the importance of continuing to maintain good relationships with the community and to improve the bilingual communication. Director Blackwell reported that progress is being made on that and the Agency is checking out new equipment that has been recommended for bilingual discussions.
- Bayview Hunters Point Shipyard: Agency staff has prioritized economic development in the project area, both business development and job creation that extends beyond the construction stages. They have been partnering with the Mayor's Office of Economic Development to expand the services of a one-stop Center for the unemployed youth and adults in the area and to encourage new businesses to locate in the community, especially in the Third Street corridor.



The emphasis now is on creating a mix of permanent jobs for local residents and re-housing former residents who were displaced during construction. The lottery has only met about 1/3 of the goal in spite of outreach through the faith-based community. The affordable housing on Third Street does not seem to attract the families who are seeking a "house" and not a condo.

- Workforce Development: There was discussion about the importance of focusing on economic development both business and job in the project areas. Director Blackwell reported that both Young Community Developers and the Ella Hill Hutch Center were reorganizing to play a stronger role in job training and placement and the Small Business Commission is expanding its outreach. The federal stimulus programs are also providing money to cities for projects that focus on job creation, job training, and removing hiring barriers. There was a discussion on the success of the Mission Hiring Hall in its job placement activities and it was agreed that the Agency should convene some workshops for directors of job placement organizations to share successful techniques that could be applied to project areas. The agency has set a goal that 50% of jobs generated in project areas be filled by residents CityBuild and other developer efforts, 30% has been reached. Among the barriers that affect hiring are incarceration records; high school diploma requirements and lack of prior work experience.
- Infrastructure Issues: Director Blackwell updated the Commissioners on changes underway to facilitate the Agency's work by automation of material delivery, mapping, gathering of data, etc. A new technology system is being tested to reduce the staff time expended on such activities; the system is "Elations." More attention is also being paid to Supervisor training and sensitivity training for staff.
- Policy Options: Preparing for the sun setting of the Yerba Buena Center has surfaced some areas where consistent policy may be needed and there is a lack of case law to guide the possible decisions. The Center includes a mix of roles for the Agency that are not traditional roles private leases, grants, museums, etc. There are several possible options (or more) that could be considered: The Agency continues as is; 2) spins off its responsibilities to a trust; 3) creates a hybrid mechanism keeping some responsibilities and slowly moving to a kind of trust; 4) creating a Community Benefit District type model with a separate Board –a "quasi trust" that has no identical model. (Somewhat similar models are Fort Mason, the Presidio Trust and the Nature Conservancy). Staff is discussing the possibility of contracting for a third party study and presentation on possible options. Commissioners urged Community Dialogues and Briefings before the Options are "in concrete"

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■ Agency Resources: There is a line item in the Agency budget to cover the Staffing and Oversight costs for the expiring Project Areas for several years. The Agency is the landlord for the Metreon in perpetuity and owns the land and gardens in the Yerba Buena Center. (The Filipino Center will be moved into the Metreon and it is likely that the Lorraine Hansberry Theatre will also be located there. The City owns Moscone Center. General Counsel cautioned that there is no model for San Francisco to take over private leases.

The following was heard at a time certain of 3:00 p.m.

4. Matters of New Business:

(a) Resolution No. 74-2009, Authorizing a Personal Services Contract with A TopNotch Security, Inc., a California Corporation, for security guard services at South Beach Park and Harbor for a term of one year with two one-year options, in an amount not to exceed \$81,500 for the first year and a total aggregate amount not to exceed \$253,000, subject to the annual appropriation of funds; Rincon Point-South Beach Redevelopment Project Area.

Presenter: Jim Walter, Agency Staff

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. RESOLUTION NO. 74-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH A TOPNOTCH SECURITY, INC., A CALIFORNIA CORPORATION, FOR SECURITY GUARD SERVICES AT SOUTH BEACH PARK AND HARBOR FOR A TERM OF ONE YEAR WITH TWO ONE-YEAR OPTIONS, IN AN AMOUNT NOT TO EXCEED \$81,500 FOR THE FIRST YEAR AND A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$253,000, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; RINCON POINT-SOUTH BEACH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(b) Resolution No. 75-2009, Authorizing a Personal Services Contract with Community Vocational Enterprise, Inc., a California nonprofit social enterprise Corporation dba Industrial Maintenance Engineers, for janitorial services at South Beach Park and Harbor, for a term of one year with two one-year options, in an amount not to exceed \$86,680 for the first year and a total aggregate amount not to exceed \$269,000, subject to the annual appropriation of funds; Rincon Point-South Beach Redevelopment Project Area.

Presenter: Jim Walter, Agency Staff

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. Resolution No. 75-2009, Authorizing a Personal Services Contract with Community Vocational Enterprise, Inc., a California nonprofit social enterprise Corporation dba Industrial Maintenance Engineers, for janitorial services at



South Beach Park and Harbor, for a term of one year with two one-year options, in an amount not to exceed \$86,680 for the first year and a total aggregate amount not to exceed \$269,000, subject to the annual appropriation of funds; Rincon Point-South Beach Redevelopment Project Area.

Closed Session: (a) Pursuant to Section 54597 (b) (1) of the Government Code regarding personnel matters: evaluation of performance of the Executive Director.

6. Adjournment:

It was moved by Mr. Singh, seconded by Mr. Swig, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:00 p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED:

August 4, 2009







MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 21ST DAY OF JULY 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 21st day of July 2009, at the place and date duly established for holding of such a meeting.

Acting President Rick Swig called the meeting to order at 4:00 p.m.

Mr. Swig welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Swig asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Swig stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Rick Swig, Vice President London Breed Francee Covington Leroy King Darshan Singh

GOVERNMENT DOCUMENTS DEPT

And the following were absent:

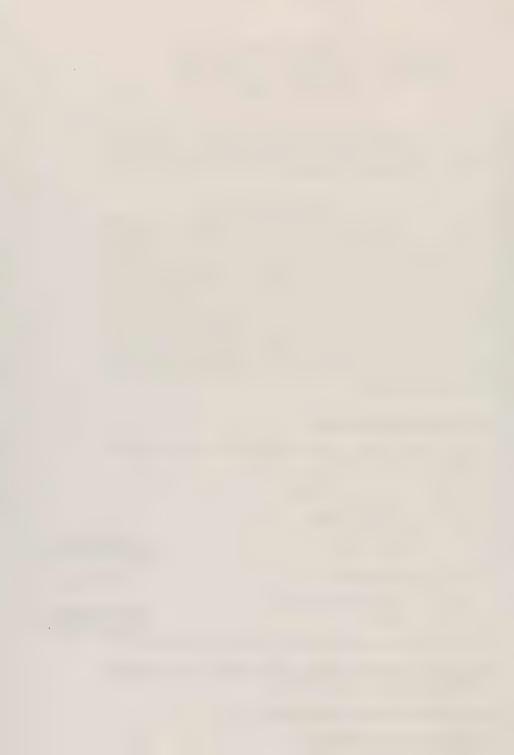
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Ramon Romero, President Linda Cheu

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Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:

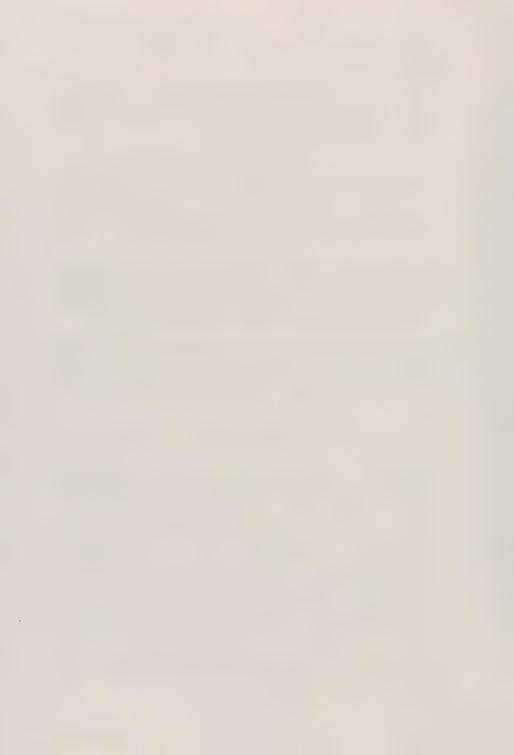


CONSENT AGENDA

- (a) Resolution No. 76-2009, Authorizing a Letter Agreement with the San Francisco County Transportation Authority in an amount not to exceed \$265,868, including \$244,098 in previously authorized funds, to complete construction documentation for the realignment of the Folsom Street Off-Ramp; Transbay Redevelopment Project Area.
- (b) Resolution No. 77-2009, Authorizing a First Amendment to the Amended and Restated Tax Increment Loan Agreement with Green Blended Communities, LLC, a California Limited Liability Company, to modify the sources and uses of funds for the construction of 18 low-and moderate-income first-time homeownership units and ground floor commercial space at 4800 Third Street; Bayview Hunters Point Redevelopment Project Area.
- (c) Resolution No. 78-2009, Authorizing a Second Amendment to an Amended and Restated Tax Increment Loan Agreement with Mercy Housing California XLI, a California Limited Partnership, to modify certain loan terms related to the construction of approximately 49 very low-income family rental units at 227-255 Seventh Street; South of Market Redevelopment Project Area.
- (d) Resolution No. 79-2009, Authorizing the Executive Director to accept \$10,433,280 in Infill Infrastructure Grant Program Funds from the State Department of Housing and Community Development for use in the development of 223 affordable and market-rate rental housing at 5800 Third Street; Bayview Hunters Point Redevelopment Project Area.

Commissioner Covington requested that consent agenda items 4(b) and 4(c) be pulled from consent for a staff presentation.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (WITH MR. ROMERO AND MS. CHEU ABSENT), THAT AGENDA ITEM 4(A) RESOLUTION NO. 76-2009, AUTHORIZING A LETTER AGREEMENT WITH THE SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY IN AN AMOUNT NOT TO EXCEED \$265,868. INCLUDING \$244,098 IN **PREVIOUSLY AUTHORIZED** FUNDS. TO **COMPLETE** CONSTRUCTION DOCUMENTATION FOR THE REALIGNMENT OF THE FOLSOM STREET OFF-RAMP; TRANSBAY REDEVELOPMENT PROJECT AREA; AND AGENDA ITEM 4(D) RESOLUTION NO. 79-2009, AUTHORIZING THE EXECUTIVE DIRECTOR TO ACCEPT \$10,433,280 IN INFILL INFRASTRUCTURE GRANT PROGRAM FUNDS FROM THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR USE IN THE DEVELOPMENT OF 223 AFFORDABLE AND MARKET-RATE RENTAL HOUSING AT 5800 THIRD STREET: BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.



REGULAR AGENDA

(b) Resolution No. 77-2009, Authorizing a First Amendment to the Amended and Restated Tax Increment Loan Agreement with Green Blended Communities, LLC, a California Limited Liability Company, to modify the sources and uses of funds for the construction of 18 low-and moderate-income first-time homeownership units and ground floor commercial space at 4800 Third Street; Bayview Hunters Point Redevelopment Project Area.

Presenter: Vanessa Dandridge, Agency Staff

Speakers: None.

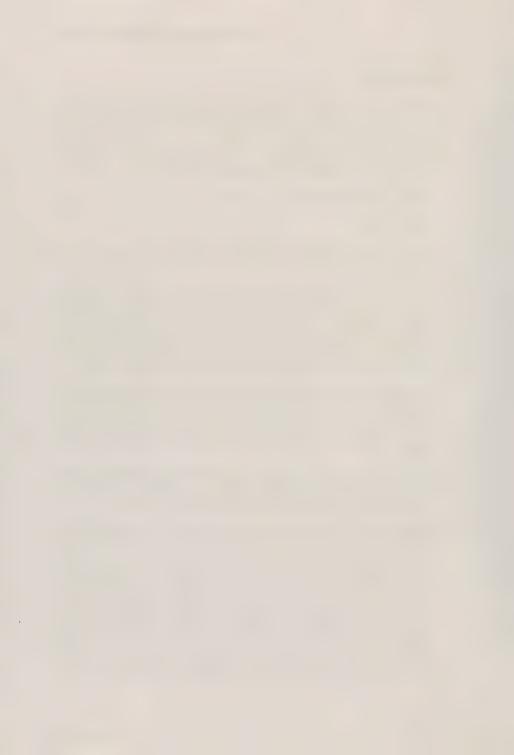
Commissioner Covington noted information was missing on the bottom of the first page and asked for clarification.

Ms. Dandridge indicated the missing information stated; "the proposed project required the demolition of a vacated retail store that once housed a check cashing service. The new development will be a four story building containing 18 condominiums for first time homebuyers, terrace level open space, approximately 22,000 square feet of commercial space on the ground floor, and eleven off-street parking spaces accessed on Oakdale Avenue".

Commissioner Covington noted that on page 2; paragraph 3, which read, "As the table indicates with Commission approval, \$1.1M in Agency funds will be reallocated from soft cost line items to pay for residential construction costs". Ms. Covington asked, if approved, would there be a request for additional monies.

Ms. Dandridge stated that the project is ahead of schedule and under budget, and staff is not anticipating that there would be a shortfall on the project. She did not anticipate that there would be additional monies requested.

ADOPTION: IT WAS MOVED BY MS COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (WITH MR. ROMERO AND MS. CHEU ABSENT), THAT RESOLUTION NO. 77-2009, AUTHORIZING A FIRST AMENDMENT TO THE AMENDED AND RESTATED TAX INCREMENT LOAN AGREEMENT WITH GREEN BLENDED COMMUNITIES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, TO MODIFY THE SOURCES AND USES OF FUNDS FOR THE CONSTRUCTION OF 18 LOW-AND MODERATE-INCOME FIRST-TIME HOMEOWNERSHIP UNITS AND GROUND FLOOR COMMERCIAL SPACE AT 4800 THIRD STREET; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.



(c) Resolution No. 78-2009, Authorizing a Second Amendment to an Amended and Restated Tax Increment Loan Agreement with Mercy Housing California XLI, a California Limited Partnership, to modify certain loan terms related to the construction of approximately 49 very low-income family rental units at 227-255 Seventh Street; South of Market Redevelopment Project Area.

Presenter: Vanessa Dandridge, Agency Staff

Commissioner Covington stated she was not clear if the request is a loan before the Wells Fargo Bank loan begins.

Ms. Dandridge stated that the budget modification is being requested due costs incurred from the project sponsor that need to be paid, the Agency's funds are fully expended. Other financing sources for the project are the construction loans which will come in after the Agency's funds are fully expended followed by the tax credit equity which will come in to pay off the construction loan when the project is complete.

Commissioner Covington asked if the project would be come back for additional funds.

Ms. Dandridge stated staff does not anticipate the Agency sponsor requesting additional funds at this juncture; the project is in preliminary stages of construction, fully financed; on schedule and on budget.

Commissioner Covington asked if a certain amount of money is committed to a project and not all monies are spent, if all monies have to be expended.

Ms. Dandridge stated that the Agency holds on to construction contingency as part of disbursing its funds. 10% of the Agency's hard costs disbursements are held back, if the project is completed under budget the Agency does not disburse its entire contingency.

Commissioner Singh asked when the project would be completed, the income level for qualified buyers, and the approximate rental rate.

Ms. Dandridge stated that the project would be completed in August 2010; the units are affordable to families earning not more than 50% of area medium income. Ms. Dandridge stated a lottery would be held with preferences for San Francisco residents. (20% of the units - Section 8 rent subsidies; 50% at MAI - \$900/month; 3 bedrooms - \$969 - \$1,200).



ADOPTION: IT WAS MOVED BY MS COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (WITH MR. ROMERO AND MS. CHEU ABSENT), THAT RESOLUTION NO. 78-2009, AUTHORIZING A SECOND AMENDMENT TO AN AMENDED AND RESTATED TAX INCREMENT LOAN AGREEMENT WITH MERCY HOUSING CALIFORNIA XLI, A CALIFORNIA LIMITED PARTNERSHIP, TO MODIFY CERTAIN LOAN TERMS RELATED TO THE CONSTRUCTION OF APPROXIMATELY 49 VERY LOW-INCOME FAMILY RENTAL UNITS AT 227-255 SEVENTH STREET; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA.

Agenda Items 4(e) and 4(f) were presented together, but acted on separately.

(e) Public Hearing to hear all persons interested in Annexation of Territory (Block X-4), authorizing the Levy of a Special Tax, and submitting Levy of Special Tax to Qualified Elector; Mission Bay Redevelopment Project Area.

Resolution No. 80-2009, Annexing Territory (Block X-4) to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 5 (Mission Bay Maintenance District), Authorizing the Levy of a Special Tax and Submitting Levy of Special Tax to Qualified Elector; Mission Bay South Redevelopment Area.

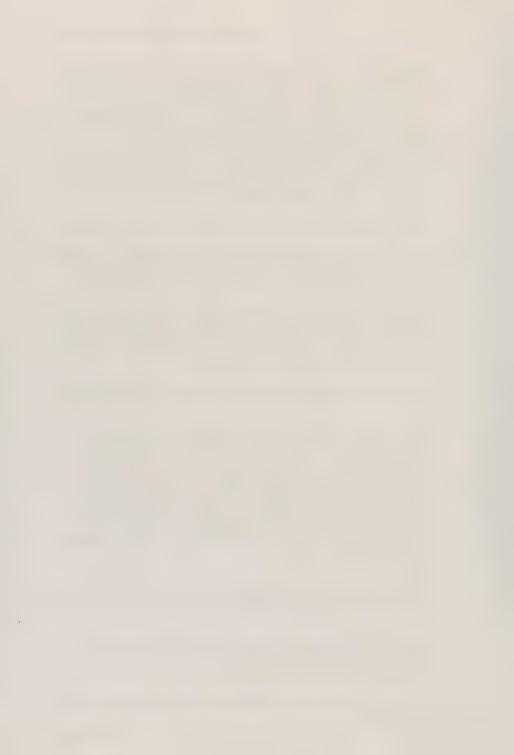
President Swig made the following opening remarks for Agency Item 4(e) and 4 (f):

"This is the time and place for the public hearing in this Commission's proceedings for the annexation of property to the Agency's Community Facilities District No. 5. The hearing is to inquire into the annexation of property to the District and the levy of special taxes on the property to be annexed. The District was formed in December of 1999 to provide funds for the operation, maintenance, and repair of certain open space parcels in the Mission Bay area, including landscaping in public places and public parks. Only owners of property currently in the District, and the owner of the property to be annexed to the District, will be subject to the levy of special taxes for the District.

Before President Swig formally opened the hearing, he asked if there were any owners of property in the District who wished to file a written protest, and if so, it must be filed with the Secretary now.

President Swig noted that no one made any protests and announced the hearing officially opened. Mr. Swig stated to have an orderly hearing, comments, or protests much first be heard.

Mr. Swig announced that no one commented or protested and the hearing was now officially closed.



President Swig asked if there were any questions or comments on the matter from any of the Commissioners; there were none.

President Swig announced that it was now time for adoption of the resolution.

Commissioner Singh put forth a motion to adopt Agenda Item 4(e). Commissioner Breed seconded the motion.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED (WITH MR. ROMERO AND MS. CHEU ABSENT), THAT A RESOLUTION NO. 80-2009, ANNEXING TERRITORY (BLOCK X-4) TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 5 (MISSION BAY MAINTENANCE DISTRICT), AUTHORIZING THE LEVY OF A SPECIAL TAX AND SUBMITTING LEVY OF SPECIAL TAX TO QUALIFIED ELECTOR; MISSION BAY SOUTH REDEVELOPMENT AREA, BE ADOPTED.

President Swig asked if there were any speakers; there were none.

President Swig stated that at this time he would ask the Secretary to open the ballot submitted by the owner of the property to be annexed to the District and announce the results of the election.

The Commission Secretary opened the ballot and announced the result of the election – of the four qualified landowners, the votes cast were:

$$Yes - 4$$

No -0

President Swig announced the results of the election being in favor of the annexation of property to the District, and stated that it was now time to consider Agenda Item 4(f).

(f) Resolution No. 81-2009, Declaring Results of Special Annexation Election (Block X-4), Determining Validity of Prior Proceedings, and Directing Recording of Amended Notice of Special Tax Lien; Mission Bay South Redevelopment Area.

Speakers: None

Commissioner Singh put forth a motion to adopt Agenda Item 4(f). Commissioner King seconded the motion.



ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (WITH MR. ROMERO AND MS. CHEU ABSENT), THAT RESOLUTION NO. 81-2009, DECLARING RESULTS OF SPECIAL ANNEXATION ELECTION (BLOCK X-4), DETERMINING VALIDITY OF PRIOR PROCEEDINGS, AND DIRECTING RECORDING OF AMENDED NOTICE OF SPECIAL TAX LIEN; MISSION BAY SOUTH REDEVELOPMENT AREA, BE ADOPTED.

(g) Resolution No. 82-2009, Amending the Agency's Small Business Enterprise ("SBE") Policy to increase the three year average annual gross receipts limit for suppliers from \$2 million to \$7 million, to separate the SBE Policy from the Agency's Purchasing Policy and to make other minor administrative changes.

Commissioner Swig asked if the policy presented is consistent with other city agencies and whether it was comparable or similar to policies/procedures from other City Departments.

Mr. Penick stated the purchasing policy is unique to the Agency and how the Agency does business. Mr. Penick stated that he is not familiar with the City's internal purchasing policy, but the subject policy was not structured to mirror the city in any way. With regard to the SBE policy, there is some similarity. Prior to 2004, both the City and the Agency had a MBE/WBE policy; after litigation that was adverse to the City, both the City and the Agency moved to a race and gender neutral policy. The Agency chose a SBE policy after consultation with the Working Group; the City chose a DVE/LBE local business enterprise.

Commissioner Swig asked if the policy is more rigorous than the rest of the cities.

Mr. Penick stated affirmatively, the Executive Director's authority is much lower than someone of his position in the city.

Commissioner Swig asked if the Elations System was being implemented and active.

Mr. Penick stated the web based system has been implemented and currently active with a consultant training both staff and contractors utilizing the system. The system is free of charge.



ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED (WITH MR. ROMERO AND MS. CHEU ABSENT), THAT RESOLUTION NO. 82-2009, AMENDING THE AGENCY'S SMALL BUSINESS ENTERPRISE ("SBE") POLICY TO INCREASE THE THREE YEAR AVERAGE ANNUAL GROSS RECEIPTS LIMIT FOR SUPPLIERS FROM \$2 MILLION TO \$7 MILLION, TO SEPARATE THE SBE POLICY FROM THE AGENCY'S PURCHASING POLICY AND TO MAKE OTHER MINOR ADMINISTRATIVE CHANGES, BE ADOPTED.

(h) Resolution No. 83-2009, Amending the Agency's Purchasing Policy and Procedures to update the authorized methods of procurement of goods and services by the Agency and to make other minor administrative changes.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED (WITH MR. ROMERO AND MS. CHEU ABSENT), THAT RESOLUTION NO. 83-2009, AMENDING THE AGENCY'S PURCHASING POLICY AND PROCEDURES TO UPDATE THE AUTHORIZED METHODS OF PROCUREMENT OF GOODS AND SERVICES BY THE AGENCY AND TO MAKE OTHER MINOR ADMINISTRATIVE CHANGES. BE ADOPTED.

(i) Resolution No. 84-2009, Approving a panel of outside legal counsel for public finance/bond counsel for three years and authorizing legal services contracts with panel members on an as-needed basis.

Presenter: Jim Morales, Agency Staff

Speaker: Ace Washington

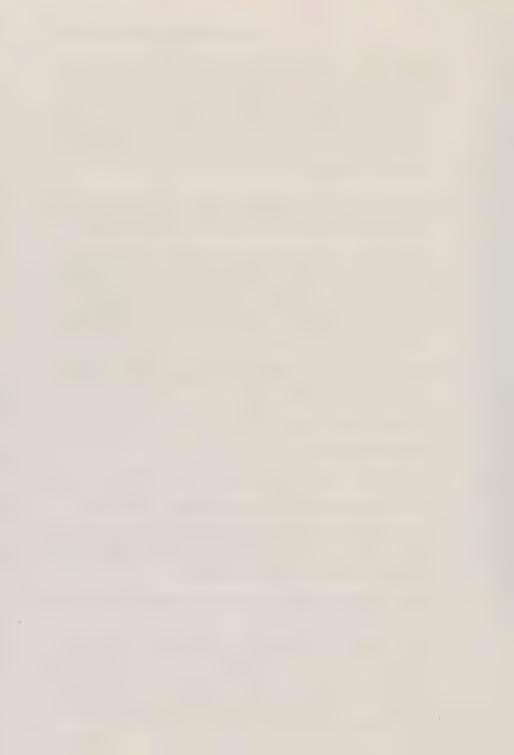
Commissioner Covington put forth a motion to move Item 4(e).

Commissioner Singh asked how the panel of consultant were selected.

General Counsel Morales stated, depending on the relevant experience in the type of transaction that will be before the Commission, they look to see what experience the firm has had with that general matter and try to use a team of two firms to provide opportunities for all the firms.

Commissioner Singh inquired as to whether there would be enough jobs for all the firms in the next two years.

General Counsel Morales stated that it is the hope that there would be but does not anticipate so given the eighteen firms over a three year period and the experience of the last three years where there were approximately ten transactions involving the same firm and separate transactions. General Counsel Morales stated that the firms on the panel were informed that there is no guarantee to use all of them but indicated that he hopes there will be bond transactions which will enable them to hire as many firms as possible.



Commissioner Singh seconded Ms. Covington's motion.

Commission Swig stated for clarification purposes that there are 18 members on the panel, none of the members on the panel have been guaranteed any compensation or are on any retainer base with the Commission. The panel is to supplement the skill base of the Commission, they do not anticipate to be involved in any litigation with the Community or anyone else, that it is simply to provide administrative and intellectual skills that are not inherent in the scope set of the legal team.

General Counsel Morales confirmed Mr. Swig's statement and emphasized that the panel is a very narrow specialized area of finance law.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED (WITH MR. ROMERO AND MS. CHEU ABSENT), THAT RESOLUTION NO. 84-2009, APPROVING A PANEL OF OUTSIDE LEGAL COUNSEL FOR PUBLIC FINANCE/BOND COUNSEL FOR THREE YEARS AND AUTHORIZING LEGAL SERVICES CONTRACTS WITH PANEL MEMBERS ON AN ASNEEDED BASIS, BE ADOPTED.

(e) Resolution No. 85-2009, Authorizing a Personal Services Contract with the San Francisco Housing Development Corporation, a California nonprofit public benefit corporation, in an amount not to exceed \$235,000, for homeowner assistance and housing development activities, Citywide Affordable Housing Program.

Presenter: Chris Harris, Agency Staff

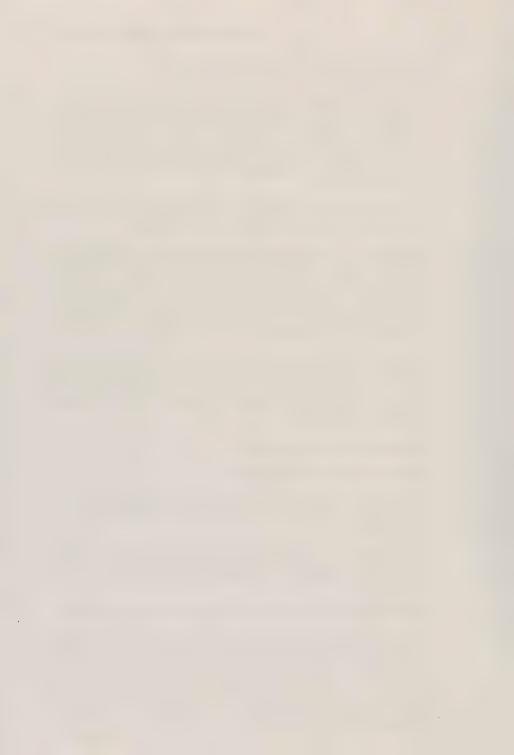
Speakers: Regina Davis, Ace Washington

Commissioner Covington put forth a motion to move Agenda Item 4(f). Ms. Covington asked Ms. Davis how many certificate of preference holders they have been able to assist.

Ms. Regina Davis indicated that she did not have the exact figure, there have been many, but would follow up in providing accurate information to the Commission.

Commissioner Singh inquired as to their process in preventing foreclosures.

Ms. Davis stated that they have hired a foreclosure specialist, Mr. Zack Westin who has been licensed and trained through Neighbor Works. SFHDC and Mr. Westin work through the loss litigation units within the many funders; there are 30 different funding entities that have foreclosed on properties in the southeastern section of the City. Ms. Davis stated that SFHDC provides all services free of charge with the exception of development services.



Commissioner Singh seconded the motion.

ADOPTION: IT WAS MOVED BY, SECONDED BY, AND UNANIMOUSLY CARRIED (WITH MR. ROMERO AND MS. CHEU ABSENT), THAT RESOLUTION NO. 85-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH THE SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$235,000, FOR HOMEOWNER ASSISTANCE AND HOUSING DEVELOPMENT ACTIVITIES, CITYWIDE AFFORDABLE HOUSING PROGRAM, BE ADOPTED.

5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speakers: Ace Washington

7. REPORT OF THE PRESIDENT: None

8. REPORT OF THE EXECUTIVE DIRECTOR:

Director Blackwell updated the Commission at the State level regarding the Budget which continues to have implications to Redevelopment Agencies throughout.

9. **COMMISSIONERS' QUESTIONS AND MATTERS:**

Commissioner Covington congratulated Director Blackwell and staff on their work in securing funds in the amount of \$10.5M from the State Department of Housing and Community Development for the Infill Infrastructure Grant Program for use in the development of 223 affordable and market-rate rental housing at 5800 Third Street. Ms. Covington stated the item would be before the Commission in October.

Commissioner Swig reported that the Jazz District Grant Committee fulfilled their goal in a conscience and thoughtful fashion in providing financial opportunities and grants to various applicants. He stressed that it was important to inform the public that both phases were consistent with each other; all applicants were held to the same rigor resulting in a nice balance between new developing businesses, existing businesses, non-profit, and for profit businesses. Mr. Swig thanked Commissioner Breed for providing the leadership on the committee and thanked the committee members for their voluntary support in supporting the community in a very important endeavor.



10. CLOSED SESSION: Pursuant to Government Code § 54957.6 to confer with Agency designated representatives regarding negotiations with the Service Employees International Union (SEIU) Local 1021 representing the Agency's Local 1021 bargaining unit and with the International Federation of Professional and Technical Engineers (IFPTE) Local 21 representing the Engineers and Architects bargaining unit, the Management/Supervisory bargaining unit, and the Professional/ Technical bargaining unit. Agency negotiators: Fred Blackwell, James B. Morales, and Amy Lee.

11. ADJOURNMENT:

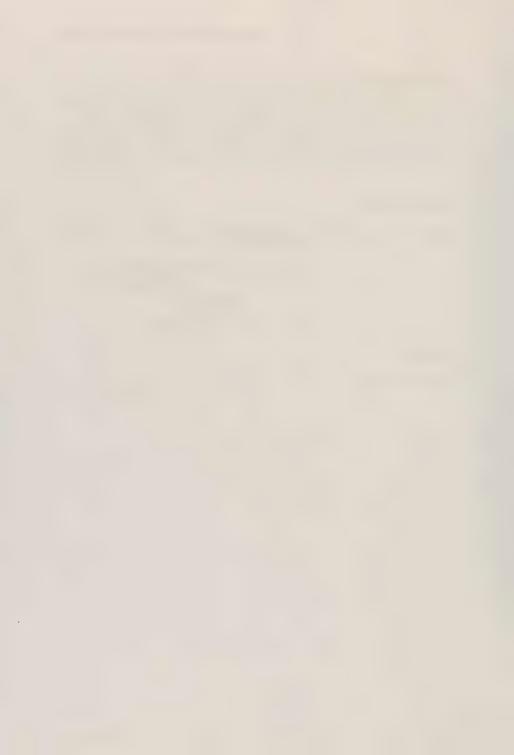
It was moved by Commissioner Singh, seconded by Commissioner King, and unanimously carried that the meeting be adjourned at 6:30 p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED:

AUGUST 18, 2009







MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 4th DAY OF AUGUST 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 4th day of August 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King Darshan Singh

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Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:



CONSENT AGENDA

(a) Approval of Minutes: Regular Meeting of June 2, 2009

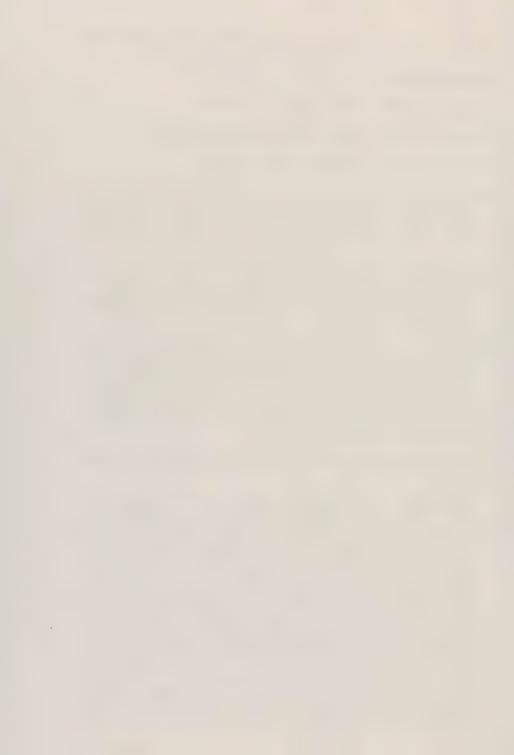
(b) Approval of Minutes: Regular & Special Meeting of June 16, 2009

(c) Approval of Minutes: Special Meeting of June 23, 2009

- (d) Resolution No. 86-2009, Authorizing the Executive Director to execute a Security Services Cooperative Agreement with the United States Department of the Navy (the "Navy") for a one-year term with four one-year extensions for security services paid with non-Agency funds at Hunters Point Shipyard; Hunters Point Shipyard Redevelopment Project Area.
- (e) Resolution No. 87-2009, Authorizing the execution of a Letter Agreement with the Office of the Controller, Accounting Operations and Systems Division to perform annual audits of the San Francisco Redevelopment Agency's Financial Statements for Fiscal Years Ending June 30, 2009 and June 30, 2010 for an amount not to exceed \$192,400.
- (f) Resolution No. 88-2009, Authorizing a First Amendment to the Personal Services Contract with Traina Public Relations, a sole Proprietorship, to extend the term of the contract by Five Months from August 20, 2009 to January 20, 2010; to amend the Scope of Services to include Branding, Logo Design and Other Marketing Strategies for the Fillmore Jazz Preservation Community Benefits District, and to increase the amount of the contract by \$35,000 for a total aggregate amount not to exceed \$84,995.

Agenda Item 4(f) was pulled from Consent due to the public requesting to speak on the item.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED THAT APPROVAL OF MINUTES: REGULAR MEETING OF JUNE 2, 2009; APPROVAL OF REGULAR & SPECIAL MEETING OF JUNE 16, 2009, MINUTES: SPECIAL MEETING OF JUNE 23, 2009, APPROVAL OF MINUTES: NO. 86-2009. AUTHORIZING THE RESOLUTION EXECUTIVE DIRECTOR TO EXECUTE A SECURITY SERVICES COOPERATIVE AGREEMENT WITH THE UNITED STATES DEPARTMENT OF THE NAVY (THE "NAVY") FOR A ONE-YEAR TERM WITH FOUR ONE-YEAR EXTENSIONS FOR SECURITY SERVICES PAID WITH NON-AGENCY FUNDS AT HUNTERS POINT SHIPYARD; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, RESOLUTION NO. 87-2009, AUTHORIZING THE EXECUTION OF A LETTER AGREEMENT WITH THE OFFICE OF THE CONTROLLER. ACCOUNTING OPERATIONS, AND SYSTEMS DIVISION TO PERFORM ANNUAL AUDITS OF THE SAN FRANCISCO REDEVELOPMENT AGENCY'S FINANCIAL STATEMENTS FOR FISCAL YEARS ENDING JUNE 30, 2009



AND JUNE 30, 2010 FOR AN AMOUNT NOT TO EXCEED \$192,400, BE ADOPTED.

REGULAR AGENDA

(f) Resolution No. 88-2009, Authorizing a First Amendment to the Personal Services Contract with Traina Public Relations, a sole Proprietorship, to extend the term of the contract by Five Months from August 20, 2009 to January 20, 2010; to amend the Scope of Services to include Branding, Logo Design and Other Marketing Strategies for the Fillmore Jazz Preservation Community Benefits District, and to increase the amount of the contract by \$35,000 for a total aggregate amount not to exceed \$84,995.

Presenter: Gaynell Armstrong, Agency Staff

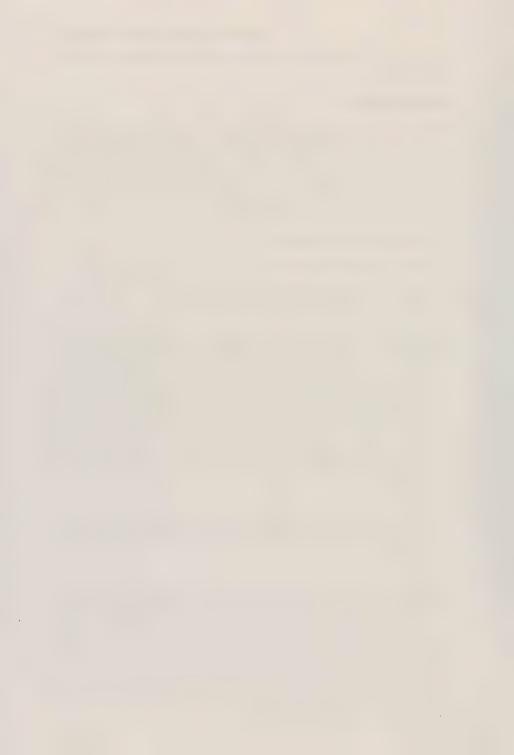
Speakers: Ace Washington, Paul Hyams, Monetta White, Sheryl Davis

Commissioner Singh put forth a motion to move item 4(f). Commissioner Swig seconded Mr. Singh's motion.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 88-2009, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH TRAINA PUBLIC RELATIONS, A SOLE PROPRIETORSHIP, TO EXTEND THE TERM OF THE CONTRACT BY FIVE MONTHS FROM AUGUST 20, 2009 TO JANUARY 20, 2010; TO AMEND THE SCOPE OF SERVICES TO INCLUDE BRANDING, LOGO DESIGN AND OTHER MARKETING STRATEGIES FOR THE FILLMORE JAZZ PRESERVATION COMMUNITY BENEFITS DISTRICT, AND TO INCREASE THE AMOUNT OF THE CONTRACT BY \$35,000 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$84,995, BE ADOPTED.

Before the Regular Agenda items were considered, President Romero called a recess to consider items on the Financing Authority Agenda, after which the Redevelopment Agency Commission will reconvene to consider the remaining agenda.

(g) Resolution No. 89-2009, Authorizing the execution of a Loan Agreement Relating to Yerba Buena Center Approved Redevelopment Project Area D-1 for both fiscal year 2008-09 and fiscal year 2009-10 in connection with the issuance by the City and County of San Francisco Financing Authority of not to exceed \$25,000,000 aggregate principal amount of 2009 Series B Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects); and authorizing and approving other matters properly related thereto (Bayview Hunters Point Redevelopment Project Area – Project Area B, South of Market Redevelopment Project Area, Transbay Redevelopment Project Area and Yerba Buena Center Approved Redevelopment Project Area D-1).



Presenter: John Daigle, Agency Staff

Speakers: None

Commissioner Swig put forth a motion to move item 4(g). Commissioner Cheu seconded Mr. Swig's motion.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 89-2009, AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT RELATING TO YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA D-1 FOR BOTH FISCAL YEAR 2008-09 AND FISCAL YEAR 2009-10 IN CONNECTION WITH THE ISSUANCE BY THE CITY AND COUNTY OF SAN FRANCISCO FINANCING AUTHORITY OF NOT TO EXCEED \$25,000,000 AGGREGATE PRINCIPAL AMOUNT OF 2009 SERIES B TAX ALLOCATION REVENUE (SAN BONDS FRANCISCO REDEVELOPMENT PROJECTS); AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATED THERETO (BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA - PROJECT AREA B, SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, TRANSBAY REDEVELOPMENT PROJECT AREA AND YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1). BE ADOPTED.

(h) Resolution No. 90-2009, Authorizing a First Amendment to the Memorandum of Understanding with the City and County of San Francisco, acting by and through its Arts Commission, and the Mexican Museum, a California nonprofit corporation, to collaboratively develop and implement a predevelopment plan for a new museum associated with a new mixed-use project on a site that includes 706 Mission Street (Assessor's Block 3706, Lot 93) and Agency disposition parcel CB-1-MM (Assessor's Block 3706, portion of Lot 117); Yerba Buena Center Redevelopment Project Area.

Presenter: Amy Neches, Agency Staff

Speakers: Mario Diaz, Nora Wagner, Victor Marquez, Emmanuel C. Montoya, Ester Hernandez, Signe Mayfield, Emily Pimentel, Eli Aramburo, Nelly Reyes, Lynda Lucero, Miguel Bustos, Luis Pinedo, Nicky Trasvina, Kathy Wolf, Karen Pimentel-Shanmugan, Oscar James, Brigitte Davila, Roy Raul, Juana Villegas, Lupita Figueiredo, Aurora Grajeda, Michael Patton, Lorraine Garcia-Nakate, Adriana Williams, Olga Talamentes, Luis R. Cancel

Commissioner Swig stated it was critically important to acknowledge that San Francisco and California were originally Mexico, and that everyone should have a great appreciation of the Mexican Arts and Cultural contributions made to San Francisco whether those contributions were made in the street art in the



Mission, or the wonderful artistic contributions of Mexican culture which are clearly apparent; the collection of the Mexican Museum is a treasure that San Franciscans should be proud of and should be promoted and preserved. Mr. Swig stressed that with the Mexican Museum's historical managerial and administrative rocky past, it is his hope that the opportunity through the resolution being presented will ultimately result in the satisfactory permanent location for the Mexican Museum. Mr. Swig stated that it is critically important for all to remember that the passage of the resolution is only another first step, that the road to realization of a new museum will be extremely challenging given the current and immediate market conditions for adequate fund raising for both the near term housing of the collection and the care of that collection, not to mention the capital campaign for final construction. Mr. Swig wished the Board and its management every success in their endeavors towards that.

Mr. Swig asked if based on the Grant Agreement, would the dispersal process of the \$250,000 be transferred directly to the Arts Commission or based on achievement of individual goals.

Ms. Neches stated that the Arts Commission through the Grant Agreement will disburse the \$250,000 in accordance with its terms which provides for disbursement based on the milestones, and \$30,000 of those funds will be going directly to the Arts Commission for Mr. Cancel's investment of time, along with a consultant that has been hired to oversee the process of those funds. The Arts Commission will do the reconciliation with the Mexican Museum rather than the Agency, and they will provide the Agency with regular reports. Pursuant to the MOU, the Arts Commission will submit back to the Agency the predevelopment plan, the major deliverable under the MOU. Ms. Neches stated that the monthly oversight and disbursements would be done by the Arts Commission rather than the Agency.

Commissioner Swig asked for clarification how, under the Grant Agreement, the funds will be disbursed, the timing of the money and specific goals. Mr. Swig also asked for clarification as to what the funds cannot be used for.

Ms. Neches stated that the MOU is the oversight document for the Grant Agreement. The MOU provides that the funds can only be used for Redevelopment activities as defined under the Community Redevelopment Law, funds can only be used for purposes as they directly relate to: planning and design of the new museum facility, preparation and implementation of the predevelopment plan which is a document that must be submitted after review of the Arts Commission back to the Agency, including hiring of museum staff and consultants to help with the planning and preparation of the predevelopment plan. Ms. Neches stated that funds cannot be used for the payment of any outstanding debt owed by the Museum prior to the effective date of the MOU, and cannot be used to pay back rent owed to the Fort Mason Foundation; the Grant Agreement is consistent with the limitations imposed pursuant to the Community Redevelopment Law.



Commissioner Swig asked if the funds could be used for rent of any kind with regard to the preservation and storage of the collection.

Ms. Neches stated that funds could be used for rent for office space related to the staff that are hired to undertake the predevelopment activities but cannot be used for rent for the collection.

Commissioner Swig put forth a motion to move item 4(h).

Commissioner King expressed his appreciation to Commissioner Swig for his remarks and seconded the motion. Mr. King stated that the Mexican community is one of the largest communities of the City and Country of San Francisco and thanked all for coming out to the meeting who spoke for the rights of the Mexican community in San Francisco, and to those who overwhelmingly sent in their letters of support for the need of a Mexican Museum. Mr. King stated that he would work together with the community and will do whatever he can towards preserving and obtaining a permanent home for the Mexican Museum's art collection, and in obtaining more funds.

Commissioner Cheu stated on a personal note that she is a third generation Chinese American but it wasn't until she worked on a yearlong family history program on the Chinese Cultural Center and the Chinese Historical Society that was life changing to her. Ms. Cheu stated that the motto of the program is a Chinese saying; "When drinking water remember the source", meaning - you can't really know where you're going until you know where you came from; Ms. Cheu believes that applies here. She stated that the collection is very important and should be accessible with all the stories and background that goes along with it because it is important for future generations not just to appreciate heritage but to understand who they are to be confident in living in this society. Ms. Cheu indicated that the Mexican Museum is a very important project and stated that the Agency exists to help fund projects that will contribute to the vitality of Redevelopment Project Areas that cannot do it on their own. Ms. Cheu expressed her strong support for moving the item.

Ms. Cheu recommended a component for the financial feasibility and operating study should include a visitation attendance analysis and a physical planning parameter analysis that looks at the amount of the exhibit area and gross area that is required based upon demand driven analysis. She would like the Museum to be sustainable in the long term but expressed her concern if it's overbuilt it would not be sustainable from an operational and financial perspective, which she believes is a key plan on that study.

Commissioner Breed stated she wholeheartedly agrees with Mr. Swig's comments and is also hopeful with the new leadership of the Mexican Museum. Ms. Breed stated that she has always supported the Mexican Museum but not supportive of setting the museum up for failure. She agrees that the new plan of having someone familiar with how cultural institutions are run is a step towards the right direction and is a win, win situation for everyone involved. Ms. Breed



determined after looking at the Grant Agreement that she did not believe there were enough funds in providing assistance with staff, and she personally did not think based on the particular outline, that it would be sufficient money to get started. Ms. Breed felt that with the new plan, renewed energy, and new leadership there should be some consideration into additional funding for staff support. Ms. Breed asked how the Mexican Museum would be able to pay for staff based on the new plan since she felt there were insufficient funds to provide for staffing.

Ms. Neches stated that some of the activities listed in the milestones would be provided by Agency staff with funds disbursed to the Mexican Museum staff once the products are created. Ms. Neches stated the intention was that the \$250,000 would help leverage additional fund raising for other operational money over the next year and was never meant to be the full funding; they will be raising other operational funds to help fund their activities over the next year.

Mr. Luis Cancel stated that the Arts Commission reviewed the draft projected budget prior to moving forward with the Grant Agreement and indicated that the redevelopment funding of \$250,000 is only a small portion of the anticipated operating budget for the next coming year. Mr. Cancel indicated that the Mexican Museum is projected to raise an additional \$500,000 from a combination of contributions, earned income, foundation support, and fund raising. The MOU with the Redevelopment Agency is to jump start the organization and to help the Mexican Museum focus on aspects that need to be addressed with respect to the predevelopment phase and will be securing additional funding from other sources for programs and other operating expenses.

Commissioner Breed asked Mexican Museum Board Member Mr. Mario Diaz if the \$250,000, based on the terms of the agreement, would make a difference in the project's success.

Mr. Diaz stated the \$250,000 would allow the Mexican Museum Board Members time to focus on hiring a staff person to exclusively run the operations of the Mexican Museum such as, re-engaging corporate donors, work on the audit, fund raising strategies, and work on the art calendar for future exhibitions with other local arts institutions that have visible exhibition space to show the collection.

Commissioner Breed expressed her concern as to whether there was enough money to cover for staff to run the operations of the Mexican Museum since it seemed to her that the funds were geared towards consultant type fees. Ms. Breed stated she wanted to make sure that the Agency is providing the appropriate support in order to make sure that the Mexican Museum is a success. Ms. Breed stated that she was very excited about the new leadership and indicated that she would like to make sure the Agency does everything it can to make sure it is a successful endeavor.



Ms. Wagner (Mexican Museum Board Member) stated that she appreciated Ms. Breed's concern about the amount of money that is being requested and the amount of money that it will eventually take for the institution to move forward. Ms. Wagner stated that the initially request had been for \$500,000 but after rigorous negotiations it was determined that it would start off with the \$250,000 plus the \$30,000 for the Art Commission. They came to a realization that it would be unrealistic on their part that it would take a considerable amount of money for the project to move forward. Ms. Wagner expressed her appreciation for all the support they are receiving from the Redevelopment Agency and everyone in terms of wanting to make the Mexican Museum come to fruition. Ms. Wagner stated that at some point there would be a request for more funds once they've had a chance to develop their plan.

Commissioner Breed stated that she appreciated Ms. Wagner's leadership and all the volunteers who have made a commitment to the Mexican Museum. She stated that she believes it will be a great benefit for San Francisco and looks forward to their success.

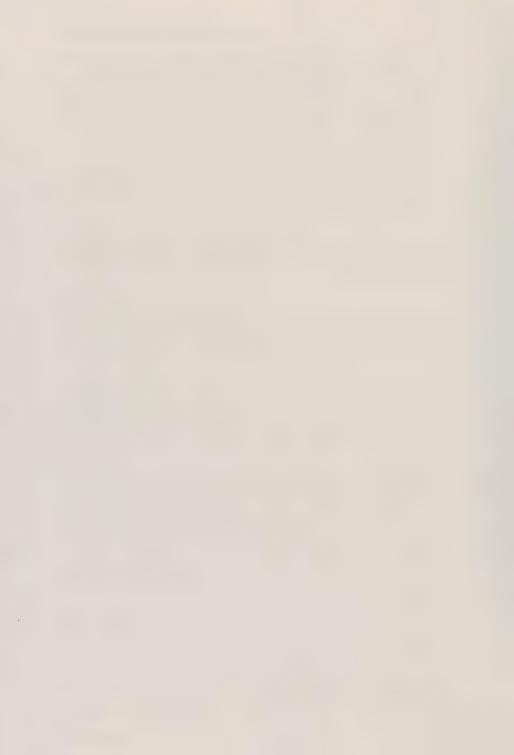
Commissioner Singh stated that he has always been in support of the Mexican Museum and expressed how good he felt about the direction and collaboration between the Mexican Museum Board Members and the Art Commission. Mr. Singh expressed his concern that \$250,000 was not enough and asked that they return at some point for additional funding.

Commissioner Covington stated that she was happy to see so many people attending the meeting in support of the Museum and especially enjoyed hearing from the young people since she understands the value of art in the life of young people. She expressed her concern about the initial funding and asked how many staff members the funding would provide.

Ms. Neches stated that one of the initial tasks under the grant agreement is a submission of a staffing and consulting plan for the next year that has not been developed and submitted as yet. Once submitted, it will be reviewed by Mr. Cancel with the Museum to see that it is adequate, but due to restrictions on the use of the funds which are tax increment funds, the focus is towards predevelopment planning for the project. Ms. Neches stated that the Board would be looking to hiring a project manager as they go into the predevelopment phase of the project and often an organization would like to be in good shape before they bring on an Executive Director because the needs change over time.

Commissioner Covington stated that she had previously expressed her concerns about the past history of the organization, asked what the next steps were.

Ms. Neches stated that the Museum would be undertaking other activities including operational, exhibiting, programming and then start implementing the predevelopment plan which will set out what the program is. The predevelopment plan, which sets out the work program going forward in its



sphere of activities related to the new project will then be submitted back to staff and then presented to the Commission. At that point a time table will be set out relative to developing a sustainable five year operating budget, a capital fundraising plan to complete the funds that will be necessary for the Museum to complete the interiors of the museum, and to supplement the funds that have been set aside. Ms. Neches stated that it would be an action plan that will grow out of the predevelopment plan; the predevelopment plan will set a detailed road map for going forward from that point.

Commissioner Covington asked if there had been such a detailed road map in the past for the Mexican Museum.

Ms. Neches stated, as Commissioner Cheu mentioned earlier, the goal is not only to open a new Mexican Museum, it is to have a Mexican Museum that will thrive for a long term and be able to sustain itself through a combination of earned revenue and contributed revenue. Ms. Neches indicated that they do not want to ask the Mexican Museum Board to rush into creating a five year plan; the plan is to be thoughtful and include the types of elements that Commissioner Cheu spoke about; demand analysis, a realistic plan that everyone can feel comfortable with. Ms. Neches indicated that the Agency would like to make sure the plan is in place to develop those individual elements that will go into the long term planning of the Museum but does not think that has been done with the Mexican Museum on an adequate basis. Ms. Neches stated that the Agency is strongly committed in supporting the Mexican Museum and working towards the right size and type of museum that will be able to sustain itself in going forward.

Commissioner Covington asked Ms. Neches about the former fund raising plans that have been in place in consultation with the Agency.

Ms. Neches stated that there has been an existing LDA for the Museum which dates back to 1993 and has always had fund raising requirements.

Commissioner Covington asked if those milestones were met.

Ms. Neches stated that the milestones were never met; the LDA was amended eight times requesting for an extension of time since, as Ms. Neches noted, it is challenging to do that level of capital of funding raising. They are looking at a different approach to capital formation for the project at this time which is the primary reason the project has moved from the stand alone project to the mixed use project in which the private developer will deliver back the core and shell of the Museum to reduce both the public and the Museums capital obligations to the project. Ms. Neches stated that by moving to a different way of funding the project, the developer will be obligated to deliver back the core and shell, therefore, the resources that the agency has available that will go towards a portion of the core and shell can now be redirected to pay for the interior cost of the museum which are very substantial and had previously been the museums fund raising obligation. By working in a different direction in terms of the



project, the Agency is working towards reducing the capital fund raising obligations of the museum which is a realistic level and allows them an opportunity to focus more of their time on operational fund raising. Ms. Neches stated that a good deal of money has been set aside including some of the new bond funds as part of the new budget for that capital portion.

Commissioner Covington stated that it was heartening to hear that there is a reduction of the capital fundraising for the Mexican Museum during these hard economic times. She asked how much do they need to fund raise, and how much of the bonds will be provided to them.

Ms. Neches stated there are no cost estimates at this time since the project has not been designed but estimated costs to range at \$14M, \$11M of which has been set aside by the private developer for design and construction costs of the interior. Ms. Neches stated that based on a study by Millennium, the Museum will be between 35,000-40,000 sq.ft. Neches indicated that the Agency is working along with the Museum in maintaining the \$2.4M State Grant the Museum has obtained. Ms. Neches indicated that it is her hope that the enthusiasm will allow the Museum to undertake a fund raising campaign toward an endowment to help support its operations; part of the agreement with Millennium is for an initial contribution to that endowment when that project is completed.

Commissioner Covington stated that she was happy that the Mexican Museum Board is energized and ready to go, wished everyone the best of luck, and to continue the good work.

President Romero stated that in the eleven years he has served on the Commission, he does not think there has been a single Commissioner he has served with who did not believe in supporting the success of the Mexican Museum and projects such as this. Mr. Romero stated that he was speaking of all the Commissioners present who asked questions and have seen the problems with these types of projects in the past. He stated that Commissioner Swig's questions were intended to help everyone understand the programmatic realities of completing the project. Mr. Romero stated that the Mexican Museum organization itself has had a troubled history but indicated that he is appreciative of the new Board Members and supporters who have come in and reenergized the organization but stressed that this is only the first step and he would like to see more people involved in making sure the project succeeds. Mr. Romero said that he is appreciative of what the Mexican Museum has to offer and stressed the critical need to protect, preserve, and provide a safe home for the valuable art collection. Mr. Romero thanked the Commission, the Mexican Museum Board Members, Mr. Cancel, and the Agency in their roles in ensuring the future success of the Mexican Museum project.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 90-2009, AUTHORIZING A FIRST AMENDMENT TO THE MEMORANDUM OF



UNDERSTANDING WITH THE CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH ITS ARTS COMMISSION, AND THE MEXICAN MUSEUM, A CALIFORNIA NONPROFIT CORPORATION, TO COLLABORATIVELY DEVELOP AND IMPLEMENT A PREDEVELOPMENT PLAN FOR A NEW MUSEUM ASSOCIATED WITH A NEW MIXED-USE PROJECT ON A SITE THAT INCLUDES 706 MISSION STREET (ASSESSOR'S BLOCK 3706, LOT 93) AND AGENCY DISPOSITION PARCEL CB-1-MM (ASSESSOR'S BLOCK 3706, PORTION OF LOT 117); YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(i) Resolution No. 91-2009, Authorizing a Loan Agreement with Bindlestiff Studio, a California nonprofit public benefit corporation, in an amount not to exceed \$52,000, for organizational development and construction management associated with the tenant improvements for the new theater space in the Plaza Apartments; South of Market Redevelopment Project Area.

Presenter: Mike Grisso, Agency Staff; Angela Heyward, Agency Staff

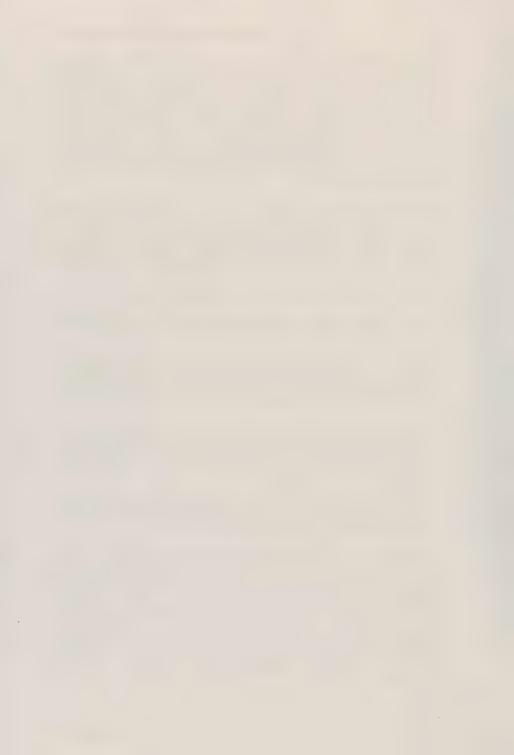
Speakers: Angelica Cabande, Aureen Almario, Jazzie Collins, Allan Manalo, Judith Ferner, Tony Kelly, Patrick Silvestri

Commissioner Cheu stated that the project was a great benefit to the Filipino American community and to the Sixth Street corridor in the South of Market, particularly given the history of the Filipino's in that area. Commissioner Cheu put forth a motion to move item 4(i).

Commissioner Breed commended Bindlestiff for their commitment and hard work in ensuring that the project moved forward and looks forward to them showcasing their talent in the South of Market community. Ms. Breed stated that she fully supported the project.

President Romero stated that he has always been supportive of Bindlestiff and was one of the Commissioners who did not agree that they be relocated. He expressed his gratitude to Bindlestiff for their commitment.

ADOPTION: IT WAS MOVED BY MS. CHEU, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 91-2009, AUTHORIZING A LOAN AGREEMENT WITH BINDLESTIFF STUDIO, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$52,000, FOR ORGANIZATIONAL DEVELOPMENT AND CONSTRUCTION MANAGEMENT ASSOCIATED WITH THE TENANT IMPROVEMENTS FOR THE NEW THEATER SPACE IN THE PLAZA APARTMENTS; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, BE ADOPTED.



Agenda Items 4(j) and (k) were presented together, but acted on separately

(j) Resolution No. 92-2009, Authorizing an Exclusive Negotiations Agreement with Folsom Essex LLC, a California limited liability corporation, for the development of approximately 120 units of very low-income supportive housing on Transbay Block 11A, southeast corner of Folsom and Essex Streets, and making environmental findings pursuant to the California Environmental Quality Act; Transbay Redevelopment Project Area.

Presenter: Elizabeth Colomello, Agency Staff

Speakers: Bruce Balshone

Commissioner Swig asked what the surety was of sustaining the funds as identified in the staff report.

Ms. Colomello stated that she felt strongly about the ability of the project obtaining the funds as identified since they were conservative in their estimate of what the investor would pay in with tax credits. She feels confident with the budget as submitted.

Director Fred Blackwell pointed out that the difference between the way the project is structured versus how Block 8 was structured is in the affordable housing developments, the Agency generally enters into long term housing ground leases that are part of the structure. In the case of Block 8, part of the agreement was in the financing but the decision in pulling the RFP was partly due to offers in terms of the buying price for the land.

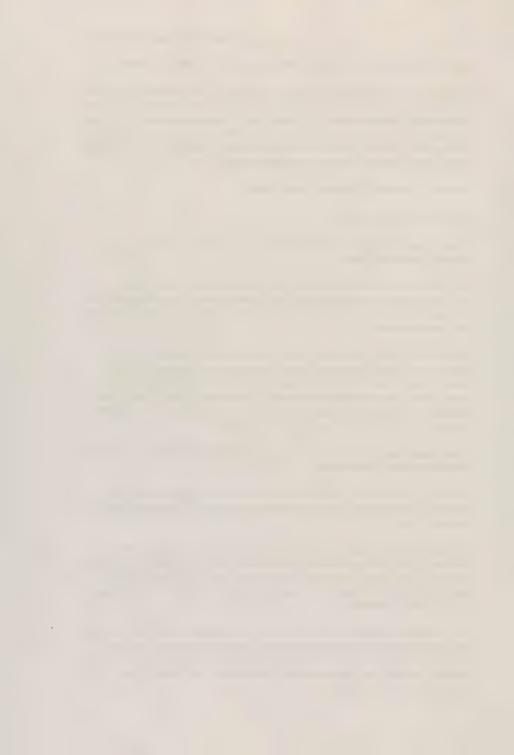
Commissioner asked why would the Agency pay for the relocation of a parking lot that is currently located there.

General Counsel Morales stated that the agency is responsible if there are relocation obligations and since the parking lease is with Caltrans, the Agency assumes responsibility.

Commissioner Swig stated that he is concerned about the significant lack of infrastructure in the neighborhood. He believes it is a great project but does not want to risk creating an underdeveloped neighborhood. Mr. Swig asked how that could be prevented, and from a timing standpoint, would it be wise to go forward with the project.

Ms. Colomello stated that those concerns have been discussed and the team has developed a plan to have an onsite team and property manager to establish a food pantry on the site to make sure people have access to food, access to food delivery, and other linkages to services the community will need to live comfortably and be successful

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Director Blackwell stated that the overall plan of the design would be mixed use with the recognition that a new community is being built and the types of amenities mentioned are being taken into consideration.

Commissioner Swig stated that he would like to move the item but in moving the item he asked Director Blackwell and staff to acknowledge the risk in going forward with this development, but in doing so that a contingency plan be considered related to not setting the project up for failure.

Commissioner Singh asked what the interest rate was and if it was a grant or a loan.

Ms. Colomello stated that it was a loan at 3% simple interest.

Commissioner Singh seconded Mr. Swig's motion.

ADOPTION: IT WAS MOVED BY MS. CHEU, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 92-2009, AUTHORIZING AN EXCLUSIVE NEGOTIATIONS AGREEMENT WITH FOLSOM ESSEX LLC, A CALIFORNIA LIMITED LIABILITY CORPORATION, FOR THE DEVELOPMENT OF APPROXIMATELY 120 UNITS OF VERY LOW-INCOME SUPPORTIVE HOUSING ON TRANSBAY BLOCK 11A, SOUTHEAST CORNER OF FOLSOM AND ESSEX STREETS, AND MAKING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(k) Resolution No. 93-2009, Authorizing a Tax Increment Loan Agreement with Folsom Essex LLC, a California limited liability corporation, for a loan in an amount not to exceed \$3,181,995, for the predevelopment of approximately 120 units of very low-income supportive housing on Transbay Block 11A, southeast corner of Folsom and Essex Streets, and making environmental findings pursuant to the California Environmental Quality Act; Transbay Redevelopment Project Area.

ADOPTION: IT WAS MOVED BY MS. CHEU, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 93-2009, AUTHORIZING A TAX INCREMENT LOAN AGREEMENT WITH FOLSOM ESSEX LLC, A CALIFORNIA LIMITED LIABILITY CORPORATION, FOR A LOAN IN AN AMOUNT NOT TO EXCEED \$3,181,995, FOR THE PREDEVELOPMENT OF APPROXIMATELY 120 UNITS OF VERY LOW-INCOME SUPPORTIVE HOUSING ON TRANSBAY BLOCK 11A, SOUTHEAST CORNER OF FOLSOM AND ESSEX STREETS, AND MAKING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.



5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

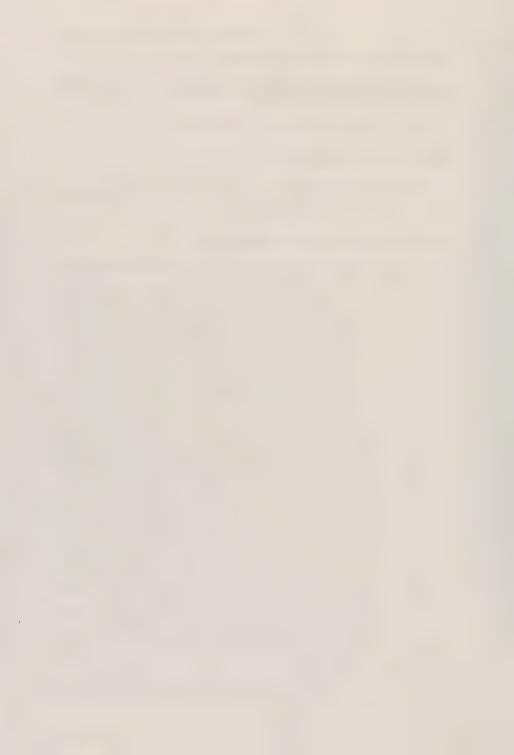
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7. REPORT OF THE PRESIDENT

 President Romero reported that both he and Director Black were interviewed by Channel 14 Univision in reference to the Mexican Museum which will air at tonight's 6:00pm news.

8. REPORT OF THE EXECUTIVE DIRECTOR:

- Director Blackwell updated the Commission on the State Budget and the effect it will have on the Redevelopment Agency.
 - As part of the balancing of the budget, what was approved at the state level was a \$2.05B take from Redevelopment Agencies statewide representing \$1.7B immediately due in May with another \$350M in the next fiscal year. The Agency's share will be \$28-\$29M immediately, as well as \$6M the upcoming year; grand total of \$34M. Counsel is in conversation with the City Attorney's office on an analysis of the legislation to determine how likely a lawsuit against the State would be successful. Last year, the California Redevelopment Association sued the State and was able to prevail. The judge ruled that the shift from Redevelopment Agencies to ERAF was unconstitutional because it was basically difficult to determine whether residents of redevelopment areas would benefit. The new legislation uses that ruling as a road map and states specifically how that shift in support would benefit project areas and project area residents. The analysis by this Agency is figuring out whether it would be beneficial to sign on to the lawsuit that is going to be coming from CRA. Staff is currently working on how to pay the \$28M; from general fund loans to drawing down additional tax increment to postponing projects that are in the pipeline. Mr. Blackwell stated in comparison to other agencies, the San Francisco Redevelopment Agency is in a better position since the Agency has, over the years, continued to budget conservatively. As Ms. Lee reported, the Agency not only received the same bond ratings as the year before but there have been improvements to the Agency's bond ratings which is reflective to the budgeting the Agency has been doing which will allow payment if needed with the least amount of turmoil on the Agency's part.
 - Commissioner Swig asked if any redevelopment agency refuses to pay, what is the punitive response from the State of California.



- Director Blackwell stated that the Agency would not be able to drawdown any tax increment or be allowed to take on redevelopment activities.
- Commissioner Covington asked what contingency plans were in place and asked for more details on how it will impact the Agency programmatically as well as in terms of staffing.
- Director Blackwell stated that the worst case scenario would be that the Agency would have to use dollars that are already allocated for specific projects and pay the State with those funds. Given the fact that the bulk of the Agency's program activities are affordable housing, there would be a substantial impact in the worst case scenario; it would average to taking about 500 – 600 units of affordable housing out of the pipeline. Each of the 100 unit developments produces about 120 or so jobs over a two year period which would mean well over 100 jobs that will not be created in construction related jobs. Director Blackwell stated that every dollar invested in affordable housing is leveraged at a 3 to 1 basis with State, Federal. and private dollars. Director Blackwell stated that he has assurances from the Mayor's office that they are going to work with the Agency on a remedy.

9. COMMISSIONERS' QUESTIONS AND MATTERS

10. <u>CLOSED SESSION:</u> (a) Pursuant to Section 54597 (b) (1) of the Government Code regarding personnel matters: Evaluation of performance of the Executive Director.

11. <u>ADJOURNMENT</u>:

It was moved by Commissioner Breed, seconded by Commissioner Covington, and unanimously carried that the meeting be adjourned at 7:40 p.m.

Respectfully submitted,

Agency Secretary

ADOPTED:

SEPTEMBER 1, 2009







MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 18th DAY OF AUGUST 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 18th day of August 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Francee Covington Leroy King Darshan Singh

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And the following were absent:

Linda Cheu

SAN FRANCISCO PUBLIC LIBRARY

Fred Blackwell, Executive Director, and staff members were also present.

2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.



3. MATTERS OF UNFINISHED BUSINESS. None.

4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA

(a) Approval of Minutes: Regular Meeting of July 21, 2009

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, THAT THE MINUTES OF THE REGULAR MEETING OF JULY 21, 2009, BE ADOPTED.

REGULAR AGENDA

(b) Authorizing a Personal Services Contract with Business Development, Inc., a California Corporation, for one year in an amount not to exceed \$300,000, with two one-year extension options, for a total aggregate amount not to exceed \$924,466, to provide fiscal agent and administrative support services to the Bayview Hunters Point Project Area Committee; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 94-2009)

Presenter: Lisa Zayas-Chien, Agency Staff

Speakers: None

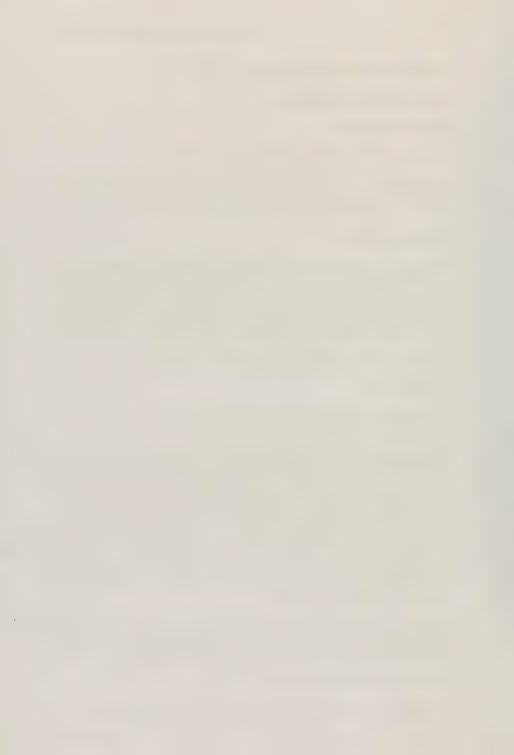
Commissioner Swig put forth a motion to move item 4(b). Commissioner Singh seconded Mr. Swig's motion.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, (WITH MS. CHEU ABSENT) THAT RESOLUTION NO. 94-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH BUSINESS DEVELOPMENT, INC., A CALIFORNIA CORPORATION, FOR ONE YEAR IN AN AMOUNT NOT TO EXCEED \$300,000, WITH TWO ONE-YEAR EXTENSION OPTIONS, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$924,466, TO PROVIDE FISCAL AGENT AND ADMINISTRATIVE SUPPORT SERVICES TO THE BAYVIEW HUNTERS POINT PROJECT AREA COMMITTEE; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA BE ADOPTED.

(c) Update on the Bayview Hunters Point Redevelopment Survey Area C/India Basin Shoreline Draft Sub-Area Plan, Redevelopment Plan Amendment, Environmental Review and Ongoing Community Planning Process.

Presenter: Tom Evans, Agency Staff

Speakers: Steve Atkinson, Charlie Walker, Alex Lautsberg, Kristine Enea



Commissioner Swig stated that he was concerned about the transportation plan making the India Basin shoreline area a pass through instead of a destination. He pointed out that there was no mention of the proposed stadium on page 7 of the India Basin Shoreline Sub Area Plan, and noted, whether the stadium comes to be or not, there will be 2 – 3 million square feet of office, R & D, and commercial space that will still require a transportation plan for the entire area. Mr. Swig asked if the transportation plan has taken into consideration the area not only in terms of pass through verses no pass through, but getting people to and from the center of San Francisco to the entire area.

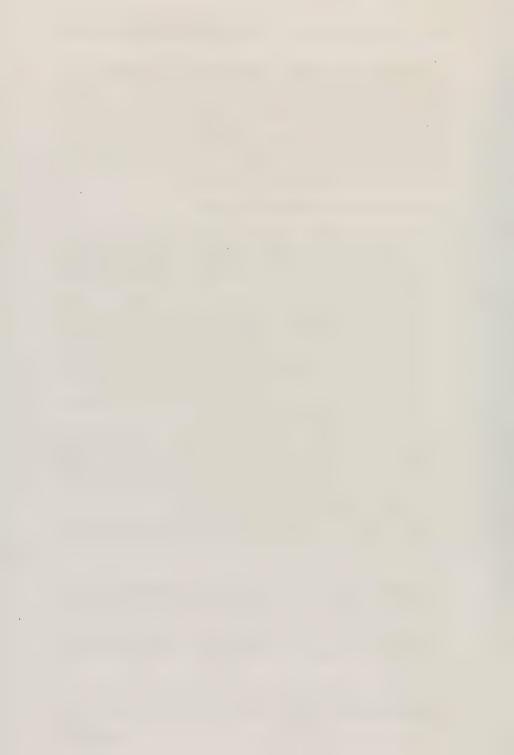
Mr. Tom Evans, Agency staff stated the following:

- Agency and Planning Department staff working together on the transportation plan developed by Lennar which will serve the Shipyard and Candlestick, and proposes a new bridge across Yosemite Slough, a robust transit program that connects not only to Third Street Light Rail but to Cal Train and BART.
- A Shipyard/BVHP/Candlestick Node EIR will be published in October which focuses on the traffic congestion issues; 60 intersections are being analyzed by the EIR, with a transportation analysis for Area C to follow and a Traffic modeling also to be published as a separate EIR document.
- Ongoing discussions with the Community on the capacity of Innes Avenue on the short term basis restricting some of the travel ways on Innes Avenue due to the area being overbuilt for the amount of traffic in the area.
- Will look at short term improvements to make it more livable and look at long term improvements along Innes Avenue.
- Exploring improvements to Hudson Street which is presently a pave through street which is one of the key links for the bay trail; presently dead ends at India Basin Park; looking into whether it can be a non motorized travel way through that area to take some of the burden off of Innes Avenue and provide more capacity out of Innes Avenue by providing a non motorized alternative in the future along Hudson.
- Interagency team looking at the issues with MTA, DPW, Planning, and the Mayor's Office of Economic Workforce Development. Will provide a traffic analysis in a few months which will be presented to the Commission.

Commissioner Swig stated that one of the elements presented is the lack of connection to Hunters View and the Hill community. He asked what the population is for India Basin, Hunters View, and the Hilltop community.

Lily Langlois of the Dept. of City Planning stated, according to the 2000 census, the population in the Hunters View and Westbrook area was 4,600, and 10,000 in Area C.

Commissioner Swig stated that it was very important that the project succeed with proper planning by including a Main Street as other neighborhood districts



have done so historically, and have been successful. They should include elements of a community such as a movie theater, community center, and restaurants that form a cohesive unit with the surrounding neighborhood which also leads to the community element of job development and sustainability. Mr. Swig asked that as staff goes through the planning process that they look at this as planning a small town that should be self sustaining which provides jobs in the area to embellish the quality of life of the neighborhood of residents.

Mr. Evans stated that there have been discussions on possible locations such as the neighborhood commercial district and Innes Avenue currently zoned as commercial but are leaning towards the waterfront as the resource that provides the most competitive advantage for future restaurants and retail. Mr. Evans stated that another issue is that there is a steep hillside that is undevelopable on the other side of the hill.

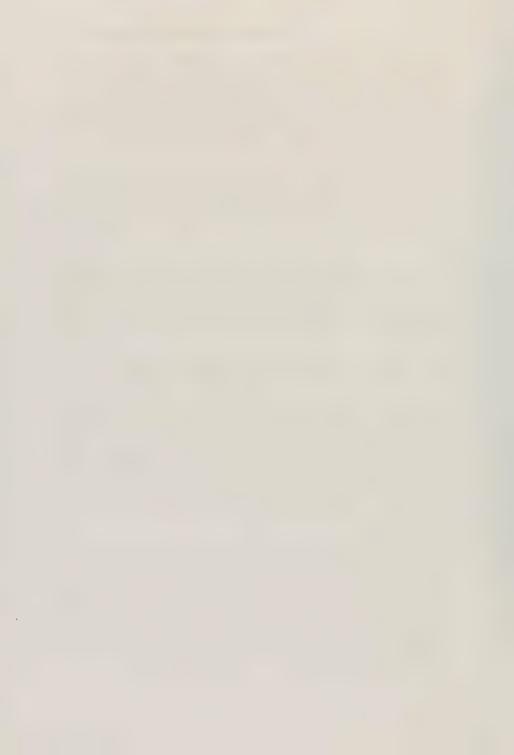
Commissioner Swig stated that he agreed with Mr. Walker's overall theme that the area needs to be developed in consideration of sustaining the population that has been there for a long time, and provide them the infrastructure necessary to preserve and grow the social culture that exists, sustain and give the community a better place to live which is the basis of a fundamental downtown main street of a small town.

Commissioner Covington stated that she was glad to hear of the plans to build 800 - 1200 units of residential housing and asked for the breakdown.

Mr. Evans stated, based on tax increment assumptions, it is assumed with a 25% affordability production goal, it would range between 15% - 25%, no less than 15% based on inclusionary law; if it is a condominium development then that would be affordable home ownership, if it is rental development, then the inclusionary would be a match of units. There have been discussions with both the community and the Planning Commission for more of a lower scale development consisting of more townhouse style developments.

Commissioner Covington asked what types of businesses they envision in the business district.

Mr. Evans stated they envision a need for more enhanced access to food, whether it is a small scale grocery store in the area is a question they continue to research. The shipyard is proposing a grocery store in the area and staff is reviewing whether two grocery stores in the area would be feasible. Other businesses they are looking into are related to recreation developments, businesses that would serve the waterfront such as rental of boats, bikes or roller blades. Mr. Evans stated, in reference to the commercial property owned by PG&E, they are in a unique position to work with research and development of energy technologies, but there are no specific proposals at this time.



Commissioner Covington stated that she is concerned about competition within the business districts proposed for India Basin, the Shipyard, as well as the revitalized Third Street. Ms. Covington asked if this concern was discussed at the PAC level about that possibility.

Mr. Evans stated since there is no business plan for Area C, there has been minimal discussions with the PAC on that issue at this point and time. There have been discussions with the Mayor's Office about the need to create a southeast retail plan to make sure they don't impoverish Third Street or divisions for India Basin, the Shipyard, Executive Park, or Visitation Valley. Mr. Evans stated that they will continue to work on an overall strategy and will relay the message to the Mayor's Office on the need do a comprehensive plan across all the project areas.

Commissioner Covington stated that one of the elements of a good comprehensive overview and approach would be to have a joint meeting with the Planning Commission. Ms. Covington proposed that the Agency schedule a joint meeting with the Planning Commission before the end of the year to hear comments from members of the community. Ms. Covington also agreed with Mr. Swig in making sure there is a Main Street and that it was essential to make sure that if a new downtown is being planned than it be vital, robust, and self sustaining.

Mr. Maduli-Williams, Agency Staff, stated the following:

- In terms of the retail study, there have been discussions with the Mayor's Office about conducting a retail study for the southeast, primarily because Third Street is different from Leland Avenue, Visitation Valley, the Shipyard, as well as the Innes corridor.
- Currently working on a development plan for Third Street. They started collecting historical retail studies that have been done for the area with the goal to go ahead at some point and authorize a new study and work with the Shipyard retail consultant to integrate a plan for the three respective project areas.

Commissioner Covington asked if there are any projections that relate to the numbers of people that may be employed, what their educational levels may be, and what the plan was for recruiting within the neighborhood.

Mr. Maduli Williams stated the questions Ms. Covington asked would be part of the analysis. Staff has data from the Bloomingdales project which lists the different types of retail jobs and that data will be used as a model for future recruitment. In addition to a retail study, they will be looking at current purchasing power and the employment impact of the new retail activity.



Commissioner Covington requested that staff specifically look at the capabilities of the people in the surrounding neighborhood, the educational levels, match the two and begin to fill in any gaps to make sure, to the extent possible, that people are not coming in from other parts of the city and working in those jobs.

Mr. Maduli Williams stated that staff is currently working on a development plan for the Building 813 which is the first foray into clean tech incubator. The strategy will be one that there will be multiple sectors and expand the definition of clean tech to include food, solar, alternative energy, building rehab, building retrofit. Mr. Maduli-Williams stated that one component is to have a broad range of industries that will grow out into the neighborhoods. Since the Building 813 is 250,000 sq. ft., the thought is to start building in that project next year and those companies will start to grow out throughout the neighborhood.

Commissioner Covington asked what incentive would there be for PG&E to move the power plant to India Basin.

Mr. Evans stated that PG&E's mission is to provide power and gas but could potentially enhance the land value of their holdings in the area by moving it over to the industrial park. The substation is expected to be upgraded within the next ten years and may be more difficult to rewire the substation in place versus building a new one and connect it. The existing facility has funds slated for the rebuild of the substation in their next cycle but the question would be if they can get entitlement on it in the short term; they may be able to move it and have a more valuable piece of parcel to develop in the future.

Mr. Jimmy Harris, PG&E stated that Mr. Evans' comments are consistent with PG&E's planning at this time. He stated that there is an opportunity in the plan to upgrade the substation, and to possibly relocate it as the agency is rezoning the area for the Area C Plan.

Commissioner Breed stated that the community has been primarily affected by transportation issues such as Muni and taxis often times not going into to the area. Ms. Breed also expressed her concern about the type of businesses that will be going into the area, the businesses ability to afford property, and the input from the community since she does not feel that there has been a lot of community input. Ms. Breed asked that the Agency aggressively step up community outreach and the community's involvement in the process since the dynamics of the neighborhood, the area, and the lives of people who have lived there for a long time will change dramatically. Ms. Breed asked about the Agency's community outreach plans.

Mr. Evans stated that the Agency, the India Basin Neighborhood Association, and the San Francisco Housing Authority have done a significant amount of outreach within the immediate neighborhood to property owners on both sides



of Innes Avenue, specifically the Hillside community, Hunters View, Westbrook, and Hunters Point.

Commissioner Breed asked since the area is not easily accessible, who does the outreach.

Mr. Evans stated that Agency staff, Communities of Opportunities, and the Housing Authority have combined their outreach efforts to the community. A few examples of their efforts were: enclosing leaflets in bills going to Housing Authority residents, hanging posters with the meeting information, passing out flyers to businesses, announcements at all the PAC meetings, and conducting workshops that have had over 100 people in attendance. Mr. Evans stated that they have also utilized the services of the radio station KPOO 89.5 FM with personal services announcements of all scheduled meetings.

Commissioner Breed stated that she would like to see comments from residents the Agency has received and would like to know from those comments, which residents live in the immediate area that is affected.

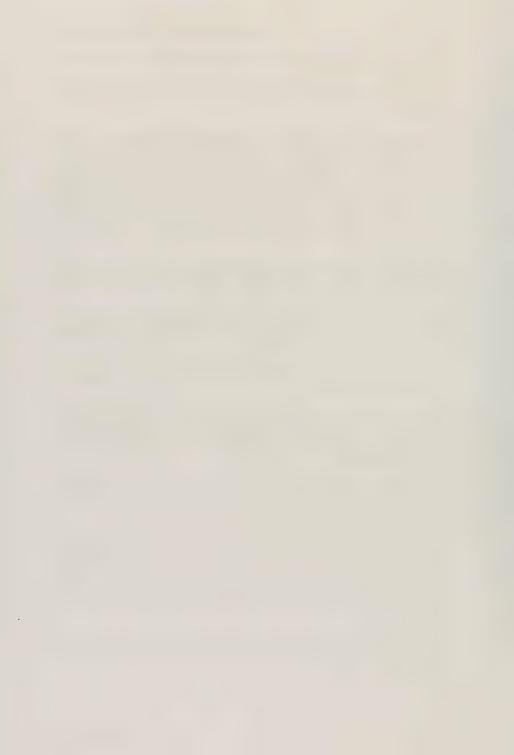
Mr. Evans stated that he would provide the Commission with the matrix and comments received from the community and noted that the information submitted was done so anonymously.

Commissioner Breed asked if Lennar's transportation plan was going to be utilized for the entire area.

Mr. Evans stated staff was currently reviewing Lennar's transportation plan and its impact in the area and have been working closely with MTA staff to ensure that their plans include transit enhancements, in particular, provide benefits beyond the Shipyard.

Commissioner Breed stated that she would like to see a thriving corridor along Third Street before considering a business district since the residents who live in the community are going to be the ones utilizing the services. She stated that she wanted to make sure that all services were easily accessible since some residents' means of transportation will be either by bus or by walking. Ms. Breed stated that in planning and moving forward, she asked staff to step up the community outreach and ensure their input is included to provide the necessary resources to shape the vision of the community. Ms. Breed also stated that she agreed that there be a joint meeting with the Planning Department before moving further.

Director Fred Blackwell stated that he was in discussions with the PAC Chair in planning out the logistics in holding a meeting in the Community and will report back to the Commission.



Commissioner King stated that he also agrees that there should be better coordination on the project and was in agreement of a joint hearing with the City Planning.

Commissioner Singh expressed his concern about informing the community of the meetings and asked about Staff's community outreach for the meetings.

Mr. Evans stated that outreach efforts have been through a wide list of mailings, leaflets distributed at a number of resources, PAC meetings, Personal Services Announcements on KPOO, posters throughout the community and other additional resources, along with a scheduled presentation by the Agency's Housing staff to the Hunters View community.

Commissioner Singh asked how often the PAC meets.

Mr. Evans stated that the PAC has four subcommittees that meet monthly; the full PAC meets monthly. Mr. Evans indicated that most of the discussions and outreach have been presented to the PAC Land Use Committee and have also gone to the full PAC on a number of occasions to present them with the overall information.

President Romero stated that he too shares the same concerns as expressed by the Commissioners and would also like to see a city center created that would provide the area with a real neighborhood that would benefit the community. Mr. Romero stated that it was very important to get the communities input on what they would like to be included in their neighborhood, with easy access to transportation being a very obvious element. Mr. Romero asked if anyone considered extending the streetcar line since he felt that buses were not enough.

Mr. Evans indicated that they are in discussions with MTA about looking into at least three lines passing through the area, including three bus lines.

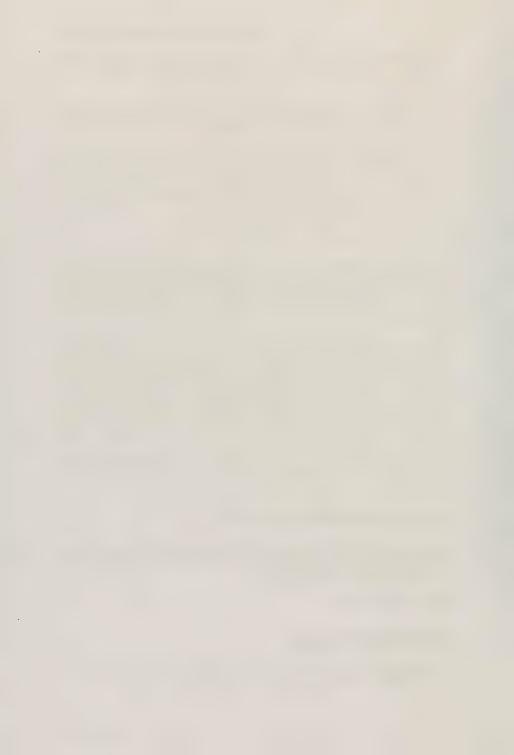
5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speaker: Charlie Walker

7. REPORT OF THE PRESIDENT:

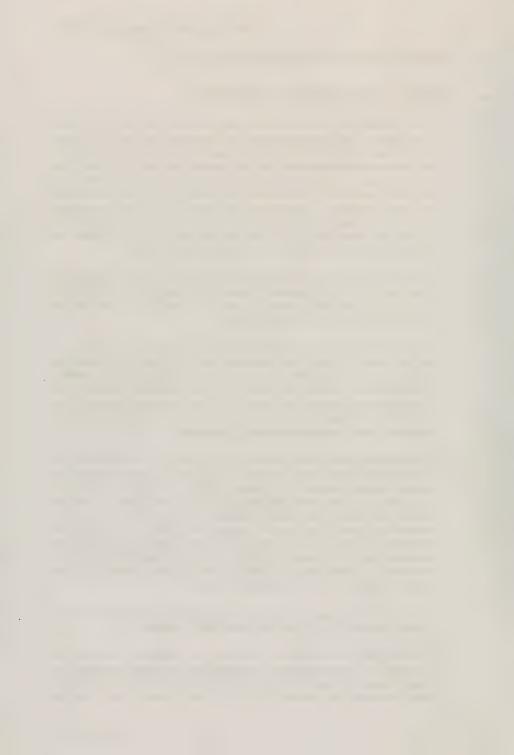
• Announced that the Sept. 1st Commission Meeting will start at 5pm so the Commission can attend the 3 pm Nihonmachi Terrace Ceremony.



8. REPORT OF THE EXECUTIVE DIRECTOR: NONE

9. **COMMISSIONERS' QUESTIONS AND MATTERS:**

- Commissioner Swig stated that he would like to make it clear to the public since there has been ongoing confusion and frustration with regard to Agenda Item 6 when the public makes requests or expects an answer. Mr. Swig stated that he agrees with the process, that they cannot immediately get into debate about any requests or statements made by the public, but stated members of the public should be offered a mechanism by which they can ask the question and receive an answer. Commissioner Swig stated that he is not advocating a change in the process or policy but would like to provide some type of solution in being able to give feedback to those who come before the Commission during Agenda Item 6 with their question or request.
- Director Blackwell stated that if the Commission does get into a dialogue on issues that are not on the agenda, it would be a violation of the Brown Act. The agenda is sent far in advance to the public and noticed in advance on items that the Commission is able to discuss.
- President Romero stated, in reference to the gentlemen's request at the previous meeting, what he was proposing was not a matter for discussion at the time and the gentlemen was fully aware since he had been attending Commission meetings for many years. Mr. Romero stated that he believes for the most part the Agency is doing a great job in responding to requests from the public in a timely manner. Mr. Romero stated that he would like to continue to make the greatest effort to be responsive.
- Commissioner Breed also stated that the Agency needs to exhaust their outreach efforts to the fullest extent possible to make sure as many people are reached in informing them of all meetings held in the community so that when the Commission does make decisions, they will be responding to what the communities have recommended. She asked Agency staff to step up their outreach efforts with the Bayview Hunters Point community because of the sensitivity of what happened in the past with the Western Addition, and how residents strongly feel about the Agency. Ms. Breed requested that there be a workshop on outreach, and would like to explore a more in-depth policy that is more aggressive than what is already in place.
- President Romero suggested that each presentation, if applicable, should include a report on what efforts have been made in outreach.
- Commissioner Breed stated that when there are questions or concerns from the public, staff should prepare a response in writing by the Commission in a timely manner, regardless if is in the Agency's jurisdiction. Commissioner Breed requested that language will added under Agenda Item 6, that the



10. <u>CLOSED SESSION</u>: Conference with Legal Counsel - Anticipated Litigation: Initiation of litigation pursuant to subdivision (c) of Section 54956.9 of the California Government Code.

11. ADJOURNMENT:

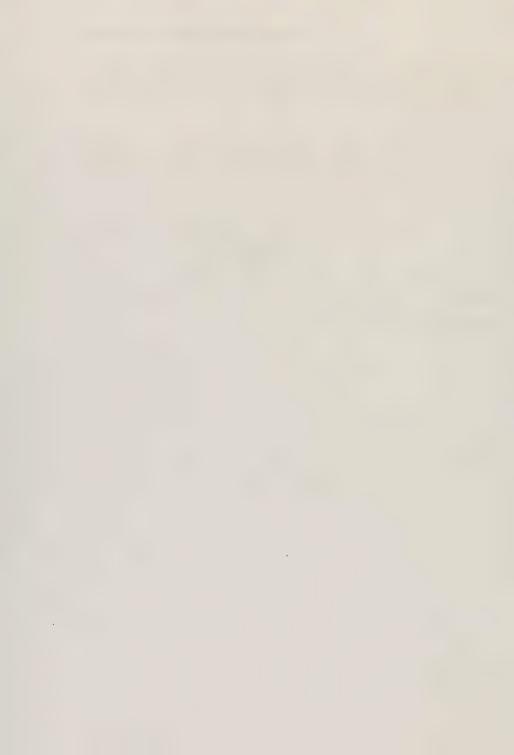
It was moved by Commissioner Covington, seconded by Commissioner King, and unanimously carried that the meeting be adjourned at 6:35 p.m.

Respectfully submitted,

Gina E. Solis Agency Secretary

ADOPTED:

OCTOBER 6, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 1st DAY OF SEPTEMBER 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 400, in the City of San Francisco, California, at 5:00 p.m. on the 1st day of September 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 5:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President Linda Cheu Francee Covington Leroy King Darshan Singh

GOVERNMENT DOCUMENTS DEPT

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And the following were absent:

London Breed

SAN FRANCISCO PUBLIC LIBRARY

Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None



4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA

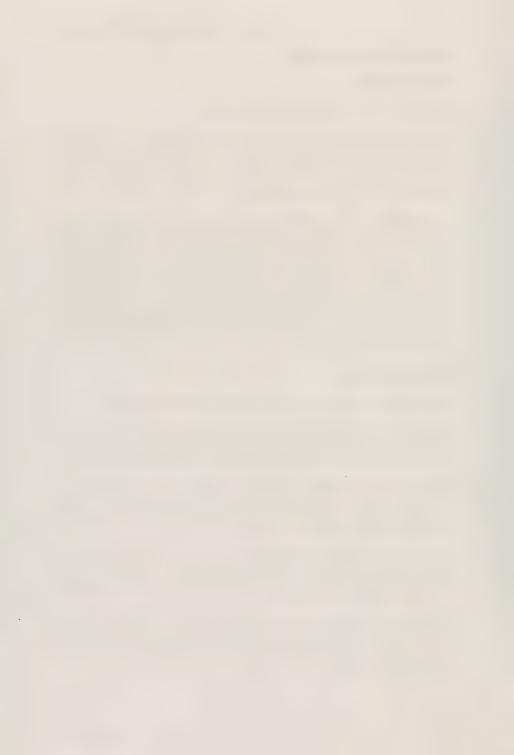
- (a) Approval of Minutes: Meeting of August 4, 2009
- (b) Resolution No. 95-2009, Authorizing a First Amendment to the 2008-2009 Work Order Agreement with the Mayor's Office of Housing in an amount not to exceed \$100,000, for a one-year extension, with no additional funds, from July 1, 2008 and ending June 30, 2010, for homeownership assistance activities; Citywide Tax Increment Housing Program.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED (WITH MS. BREED ABSENT), THAT MINUTES FROM THE REGULAR MEETING OF AUGUST 4, 2009; RESOLUTION NO. 95-2009, AUTHORIZING A FIRST AMENDMENT TO THE 2008-2009 WORK ORDER AGREEMENT WITH THE MAYOR'S OFFICE OF HOUSING IN AN AMOUNT NOT TO EXCEED \$100,000, FOR A ONE-YEAR EXTENSION, WITH NO ADDITIONAL FUNDS, FROM JULY 1, 2008 AND ENDING JUNE 30, 2010, FOR HOMEOWNERSHIP ASSISTANCE ACTIVITIES; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

REGULAR AGENDA

Agenda Items 4(c) - 4(g) were presented together, but acted on separately

- (c) Resolution No. 96-2009, Authorizing execution of a Memorandum of Agreement with the Service Employees International Union (SEIU) Local 1021 Bargaining Unit, for the period of September 5, 2009 through June 30, 2011.
- (d) Resolution No. 97-2009, Authorizing execution of a Memorandum of Agreement with the International Federation of Professional and Technical Engineers (IFPTE) Local 21 Architects and Engineers unit for the period of September 5, 2009 through June 30, 2011.
- (e) Authorizing execution of a Memorandum of Agreement with the International Federation of Professional and Technical Engineers (IFPTE) Local 21 Professional/Technical Unit for the period of September 5, 2009 through June 30, 2011. (Resolution No. 98-2009)
- (f) Authorizing execution of a Memorandum of Agreement with the International Federation of Professional and Technical Engineers (IFPTE) Local 21 Management/Supervisory Unit for the period of September 5, 2009 through June 30, 2011. (Resolution No. 99-2009)



(g) Establishing classifications of positions and compensation for Agency staff and establishing authority for appointment to and vacation from positions under said classifications and other matters. (Resolution No. 100-2009)

Presenter: Jim Morales, Agency General Counsel

Speakers: Don C. Rice, Stanley Muraoka

Commissioner Covington put forth a motion to move agenda items 4(c) - 4(g).

Commissioner Covington asked what the cap was for reimbursement of studies.

General Counsel Morales stated the cap was previously a \$1,500 cap, it is now converted to the cost of 12 units of course work. The Agreement is written and the program is established, the employee must seek to receive the training or the course work within the discretion of the Supervisor or Executive Director to recommend the particular course work.

Commissioner Covington asked if it was for both Undergraduate and Graduate work.

General Counsel Morales stated there was no limitation but does have to be job related to receive full reimbursement or payment.

Commissioner Covington noted that in the L-1021 minutes, there was mention that there was an increased notice of layoffs, and increased severance of less than 60 days of notification is given. She asked if there are occasions when there is less than 60 days notice.

General Counsel Morales stated that layoffs are avoided at all costs, and he was not aware of any notice given less than 60 days.

Commission Covington asked if it was a new provision.

General Counsel Morales stated the L-1021 negotiators wanted to match the same provision as with L-21 which was appropriate.

Commissioner Covington noted that there was a \$700,000 estimated salary savings for this year and asked what the anticipated savings was for the following year.

General Counsel Morales stated that there would be comparable savings from salaries since they will be fixed salaries through the labor agreements. If the Commission, Board of Supervisors, or Mayor's Office decides that there are additional cost saving measures that need to occur, they would come from other places within the budget. Mr. Morales stated that there is a binding agreement with represented workers if approved; the same cost savings of \$700,000 would



be the same for the following year because in essence, the salary levels are frozen and will then be reduced by a comparable amount for next year.

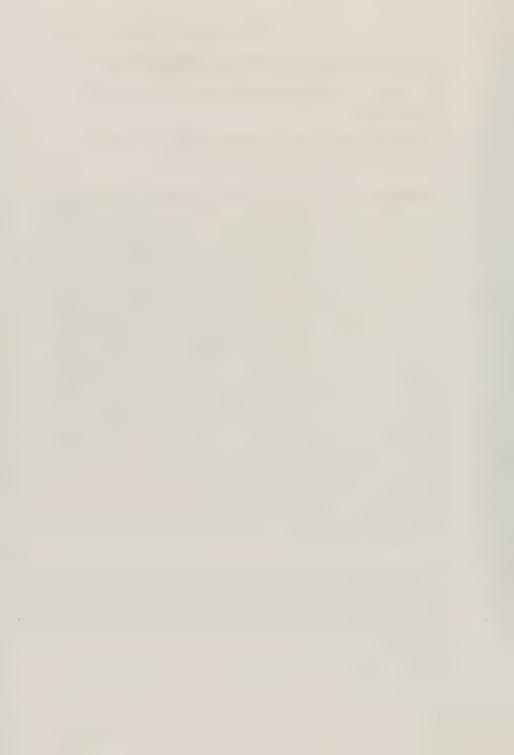
Ms. Lee stated for clarification that the \$700,000 is for the two year period, \$350,000 per year.

Commissioner King congratulated Staff and the Labor Unions for their successful negotiations. Mr. King seconded the motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED (WITH MS. BREED ABSENT), THAT RESOLUTION NO. 96-2009, AUTHORIZING EXECUTION OF A MEMORANDUM OF AGREEMENT WITH THE SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU) LOCAL 1021 BARGAINING UNIT, FOR THE PERIOD OF SEPTEMBER 5, 2009 THROUGH JUNE 30, 2011; RESOLUTION NO. 97-2009, AUTHORIZING EXECUTION OF A MEMORANDUM OF AGREEMENT WITH THE INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS (IFPTE) LOCAL 21 ARCHITECTS AND ENGINEERS UNIT FOR THE PERIOD OF SEPTEMBER 5, 2009 THROUGH JUNE 30, 2011: RESOLUTION NO. 98-2009, AUTHORIZING EXECUTION OF A MEMORANDUM OF AGREEMENT WITH THE INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS (IFPTE) LOCAL 21 PROFESSIONAL/TECHNICAL UNIT FOR THE PERIOD OF SEPTEMBER 5, 2009 THROUGH JUNE 30, 2011; RESOLUTION NO. 99-2009, AUTHORIZING EXECUTION OF A MEMORANDUM OF AGREEMENT WITH THE INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS (IFPTE) LOCAL 21 MANAGEMENT/SUPERVISORY UNIT FOR THE PERIOD OF SEPTEMBER 5, 2009 THROUGH JUNE 30, 2011, RESOLUTION NO. 100-2009, ESTABLISHING CLASSIFICATIONS OF POSITIONS AND COMPENSATION FOR AGENCY STAFF AND ESTABLISHING AUTHORITY FOR APPOINTMENT TO AND VACATION FROM POSITIONS UNDER SAID CLASSIFICATIONS AND OTHER MATTERS, BE ADOPTED.

(h) Resolution No. 101-2009, Authorizing a personal services contract with the Central Market Community Benefit District in an amount not to exceed \$150,000 to implement a community guides program on Sixth Street and adjacent alleyways to provide social service outreach and assistance to businesses, residents and visitors for a term of one year; South of Market Redevelopment Project Area.

Presenter: Mike Grisso, Agency Staff



Speakers: Dr. Jack Sinow, Steven Kwong, Jerry Jarvis, Bernadette Walter, Henry Karnilowicz, Katie O'Brien, Daniel Hurtado, Steve Barton, Michael Nulty, Tracy Evelon

Commissioner Swig enthusiastically put forth a motion to move Agenda Item 4(h).

Commissioner Swig asked if there was any negative feedback from SOMPAC other than how the project can be implemented in a stronger fashion.

Mr. Grisso stated it was that there be strong coordination with City Agencies such as the Dept. of Public Health, Police Dept. to make sure they are aware of what the community guides are doing and that there is close coordination.

Commissioner Swig asked if management is being successful in coordinating the activities from other city agencies.

Mr. Grisso indicated that, to his knowledge they have been successful in the coordination amongst all city agencies. That is a large part of the Scope of Work they negotiated to continue that coordination and to have regular meetings with Agency, CBD, MJM staff, and with SOMPAC.

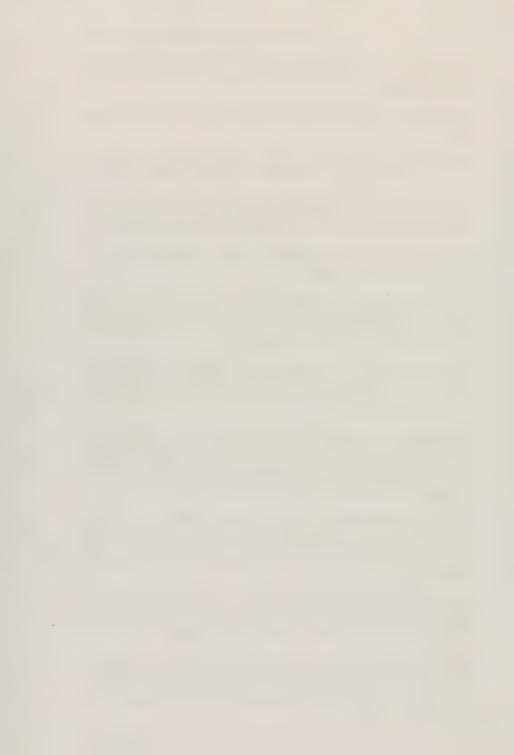
Director Blackwell stated he received letters of support from the Director of Human Services Agency, and the Director of Homelessness expressing their support and enthusiasm for the item being on the agenda and in looking forward to working with the Agency.

Commissioner Swig stated that it is the Agency's mission to take care of the physical blight and the general community quality of life, and believes this program is on track. Mr. Swig expressed his concern that there would not be sufficient coverage throughout the day and asked where the funds would be coming from specifically.

Mr. Grisso stated that there are certain times of the day when there are problems and would like to focus on the times when there are most patrons for the local businesses and when residents are going home. Mr. Grisso stated that staff would propose new funding for the program in the future for the Commissions consideration.

Commissioner Swig stated the program may be set up for failure because there is not enough coverage with the five days and seven hours, and is concerned about the other dates of the week and hours there is no coverage.

Commissioner Swig noted from the staff report that "the community guides will also serve as the "eyes and ears" of the SFPD and will report crime to dispatch immediately as well as communicate safety issues with the SFPD". Mr. Swig stated his concern for the safety of community guides, and asked about security for the community guides.



Ms. McCue of MJM stated there is 200 hours of extensive training; part of the initial training is spending two weeks in the area getting to k now everyone that resides in the area. Community members are asked to work with the community guides and stay in close contact with dispatch. Ms. McCue stated community guides do not interfere with any police activity or any crimes occurring, but work close with the Police who also have access to the dispatch logs.

President Romero asked how many community guides are currently working.

Ms. McCue stated there are two in Central Market, two on Sixth Street, and part-time workers in Union Square BID. All have been trained to work in either area.

Commissioner Covington stated that she was happy to see members of the Sixth Street Community in the audience. Ms. Covington seconded Mr. Swig's motion. She encouraged MJM and SOMPAC to take a census from the owners of businesses on Sixth Street as to when they think the overlap of the opening of their businesses for the evening and the community guides leaving for the day might happen so that late morning to early evening, there may be a shift of an hour. She also encouraged the business owners to consider contracting with MJM to have some people on their staffs trained in a community guide format. Ms. Covington also encouraged Ms. McCue to hiring women as community guides for Sixth Street because a lot of women are more forthcoming about problems they may suspect and with other women.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED (WITH MS. BREED ABSENT) THAT RESOLUTION NO. 101-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH THE CENTRAL MARKET COMMUNITY BENEFIT DISTRICT IN AN AMOUNT NOT TO EXCEED \$150,000 TO IMPLEMENT A COMMUNITY GUIDES PROGRAM ON SIXTH STREET AND ADJACENT ALLEYWAYS TO PROVIDE SOCIAL SERVICE OUTREACH AND ASSISTANCE TO BUSINESSES, RESIDENTS AND VISITORS FOR A TERM OF ONE YEAR; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA.

(i) Resolution No. 102-2009, Authorizing a Work Order Agreement with the San Francisco Human Services Agency in an amount not to exceed \$601,390 for operating subsidies and supportive services funding; Citywide Tax Increment Housing Program.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED (WITH MS. BREED ABSENT) THAT RESOLUTION NO. 102-2009, AUTHORIZING A WORK ORDER AGREEMENT WITH THE SAN FRANCISCO HUMAN SERVICES



AGENCY IN AN AMOUNT NOT TO EXCEED \$601,390 FOR OPERATING SUBSIDIES AND SUPPORTIVE SERVICES FUNDING; CITYWIDE TAX INCREMENT HOUSING PROGRAM.

5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

7. REPORT OF THE PRESIDENT:

- Reported several Commissioners attended the Nihonmachi Terrace ceremony, attended by Speaker Pelosi. Agency was recognized for the funding of the project.
- Commissioner King video receiving the MLK award by the NEA convention, a prestigious award by a union of 3Million members.

8. REPORT OF THE EXECUTIVE DIRECTOR:

- Reported on the information memorandum of Costs for Providing Two Years Additional PERS Service Credit
- In reference to outreach Director Blackwell, along Olson Lee, and Housing staff met with more than 40 minister in Bayview Hunters Point to provide them with a presentation on the affordable housing that is in the pipeline and encouraged them to communicate with their congregations and to take proactive measures to outreach within their congregations so they can prepare for the housing opportunities that are available.

9. **COMMISSIONERS' QUESTIONS AND MATTERS:** None

10. <u>CLOSED SESSION</u>: None.

11. ADJOURNMENT:

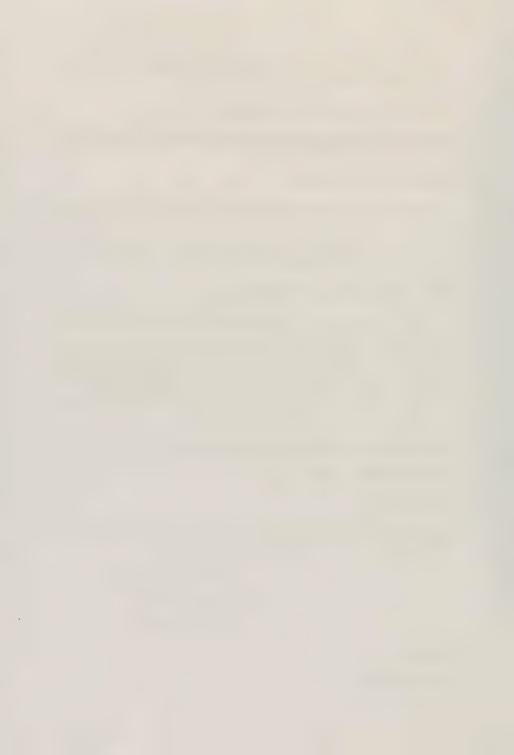
It was moved by Commissioner King, seconded by Commissioner Singh, and unanimously carried that the meeting be adjourned at 6:30 p.m.

Respectfully submitted,

Agency Secretary

ADOPTED:

OCTOBER 6, 2009



The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 6th day of October 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King Darshan Singh

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Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:



CONSENT AGENDA

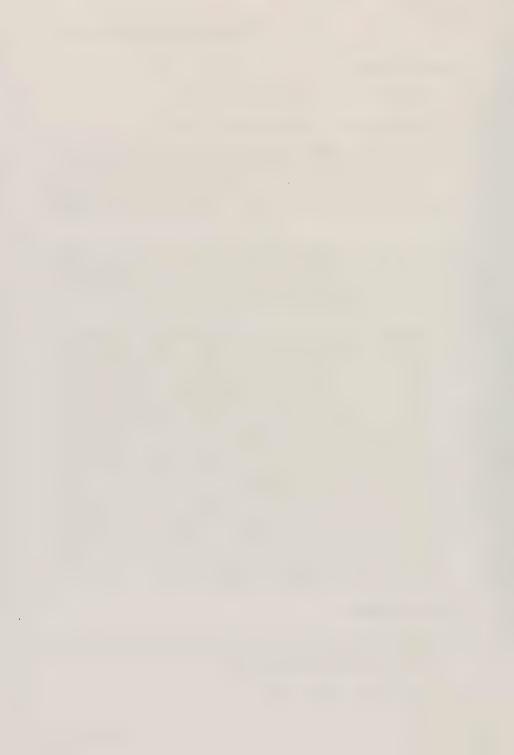
- (a) Approval of Minutes: Meeting of August 18, 2009.
- **(b)** Approval of Minutes: Meeting of September 1, 2009.
- (c) Resolution No. 103-2009, Authorizing a First Amendment to the Exclusive Negotiations Agreement and a First Amendment to the Predevelopment Loan Agreement with 474 Natoma, LLC, a California limited liability company, to extend the Schedule of Performance through August 21, 2010; South of Market Redevelopment Project Area; Citywide Tax Increment Housing Program.
- (d) Resolution No. 104-2009, Authorizing a First Amendment to the Personal Services Contract with Westcoast Maintenance Service, a sole proprietorship, to increase the budget by \$60,000, for a total contract amount not to exceed \$167,938, to provide cleaning, maintenance and related services; All Redevelopment Project Areas and Citywide Housing Sites.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, THAT APPROVAL OF MINUTES FOR THE MEETING OF AUGUST 18, 2009 (MS. CHEU ABSTAINED), APPROVAL OF MINUTES FOR THE MEETING OF SEPTEMBER 1, 2009 (MS. BREED ABSTAINED); RESOLUTION NO. 103-3009, AUTHORIZING A FIRST AMENDMENT TO THE EXCLUSIVE NEGOTIATIONS AGREEMENT AND A FIRST AMENDMENT TO THE PREDEVELOPMENT LOAN AGREEMENT WITH 474 NATOMA, LLC. A CALIFORNIA LIMITED LIABILITY COMPANY, TO EXTEND THE SCHEDULE OF PERFORMANCE THROUGH AUGUST 21, 2010; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM; RESOLUTION NO. 104-2009, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL MAINTENANCE SERVICES CONTRACT WITH WESTCOAST SERVICE, A SOLE PROPRIETORSHIP, TO INCREASE THE BUDGET BY \$60,000, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$167,938, TO PROVIDE CLEANING, MAINTENANCE AND RELATED REDEVELOPMENT PROJECT AREAS SERVICES: ALL CITYWIDE HOUSING SITES, BE ADOPTED.

REGULAR AGENDA

(e) Resolution No. 105-2009, Authorizing a Designated Period for Two Years Additional Service Credit under CalPERS and Certifying Compliance with California Government Code Section 20903.

Presenter: Amy Lee, Agency Staff



Speakers: Alex Tonisson, Stanley Muraoka

Commissioner Covington asked Ms. Lee what she anticipates the impact will be on the remaining architectural staff and upon the agency as a whole.

Ms. Lee stated that Agency's architectural and engineering staff are working hand in hand with the Planning Department with the reduced need for the architectural and engineering staff unit workload for future plan amendments. Ms. Lee anticipates hiring an architect rather than a senior or junior architect which would be more consistent with work that would be required.

Commissioner Covington asked if the remaining staff will have an opportunity to apply for the senior architect position.

Ms. Lee stated that in terms of the need for the senior architect position, when the time comes in hiring an architect, the junior associate will have an opportunity to apply for that position.

Commissioner Covington put forth a motion to adopt.

Commissioner King seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 105-2009, AUTHORIZING A DESIGNATED PERIOD FOR TWO YEARS ADDITIONAL SERVICE CREDIT UNDER CALPERS AND CERTIFYING COMPLIANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 20903, BE ADOPTED.

(f) Resolution No. 106-2009, Authorizing a First Amendment to the Legal Services Contract with Shute, Mihaly & Weinberger LLP to provide specialized legal services primarily related to public trust and state park issues in the Candlestick Point Area of the Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas in the amount of \$200,000, for a total contract amount not to exceed \$450,000; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: None.

Commissioner Swig put forth a motion to adopt item 4(f). Mr. Swig asked if the expense is fully reimbursable by the developers.

Mr. Kaslofsky confirmed.

Commissioner King seconded Mr. Swig's motion.



ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 106-2009, AUTHORIZING A FIRST AMENDMENT TO THE LEGAL SERVICES CONTRACT WITH SHUTE, MIHALY & WEINBERGER LLP TO PROVIDE SPECIALIZED LEGAL SERVICES PRIMARILY RELATED TO PUBLIC TRUST AND STATE PARK ISSUES IN THE CANDLESTICK POINT AREA OF THE BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS IN THE AMOUNT OF \$200,000, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$450,000; BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS, BE ADOPTED.

(g) Resolution No. 107-2009, Authorizing a First Amendment to the personal services contract with Renaissance Entrepreneurship Center, a California nonprofit corporation, to extend the term for one year to September 15, 2010, and increase the contract amount by \$155,865, for a total aggregate amount not to exceed \$225,865, for outreach, coordination, and support services to the Bayview Merchants Association; Bayview Hunters Point Redevelopment Project Area.

Presenter: Licinia McMorrow, Agency staff.

Speakers: Lola Whittle, Ben Kaufman, Al Norman, Ace Washington

Commissioner Swig congratulated the Bayview Merchants Association for moving the neighborhood forward satisfactorily. Commissioner Swig put forth a motion to move item 4(g).

Commissioner King seconded Mr. Swig's motion.

Commissioner Singh asked who the current President of the Bayview Merchants Association was.

Ms. McMorrow stated Al Norman is the President.

ADOPTION: IT WAS MOVED BY MS. SWIG, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 107-2009, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH RENAISSANCE ENTREPRENEURSHIP CENTER, A CALIFORNIA NONPROFIT CORPORATION, TO EXTEND THE TERM FOR ONE YEAR TO SEPTEMBER 15, 2010, AND INCREASE THE CONTRACT AMOUNT BY \$155,865, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$225,865, FOR OUTREACH, COORDINATION, AND SUPPORT SERVICES TO THE BAYVIEW MERCHANTS ASSOCIATION; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.



(h) Resolution No. 108-2009, Approving An Amendment Of The Agency's Fiscal Year 09/10 Budget To (1) Increase Expenditure Authority For Additional Grant Reimbursements From The U.S. Department Of Commerce, Economic Development Administration; (2) To Increase Expenditure Authority For Additional HOPWA Funds; (3) To Allocate \$28.6 Million For Payment To The Educational Revenue Augmentation Fund; (4) To Increase The Amount Of Bond Proceeds To Be Received By The Agency In An Additional Aggregate Principal Amount Not To Exceed \$28.0 Million; (5) To Amend The Agency's Fiscal Year 2009-10 Statement Of Indebtedness To Conform To The Changes In The Budget As Set Forth In The Supplemental Appropriations Request And Corresponding Obligations.

Presenter: Amy Lee, Agency Staff

Speaker: Ace Washington

Commissioner Cheu put forth a motion to move item 4(h). Ms. Cheu also thanked staff for continuing to find solutions that minimize the impact on Agency's projects.

Commissioner Singh seconded Ms. Cheu's motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 108-2009, APPROVING AN AMENDMENT OF THE AGENCY'S FISCAL YEAR 09/10 BUDGET TO (1) INCREASE EXPENDITURE AUTHORITY FOR ADDITIONAL GRANT REIMBURSEMENTS FROM THE U.S. DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION; (2) TO INCREASE EXPENDITURE AUTHORITY FOR ADDITIONAL HOPWA FUNDS; (3) TO ALLOCATE \$28.6 MILLION FOR PAYMENT TO THE EDUCATIONAL REVENUE AUGMENTATION FUND; (4) TO INCREASE THE AMOUNT OF BOND PROCEEDS TO BE RECEIVED BY THE AGENCY IN AN ADDITIONAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$28.0 MILLION; (5) TO AMEND THE AGENCY'S FISCAL YEAR 2009-10 STATEMENT OF INDEBTEDNESS TO CONFORM TO THE CHANGES IN THE BUDGET AS SET FORTH IN THE SUPPLEMENTAL APPROPRIATIONS REOUEST AND CORRESPONDING OBLIGATIONS, BE ADOPTED.

(i) Resolution No. 109-2009, Approving Amendments To The Yerba Buena Center Redevelopment Plan To Extend By One Year The Time Limit On The Effectiveness Of The Plan Pursuant To Section 33331.5 of the Community Redevelopment Law and To Extend Tax Increment Authority For Affordable Housing Funding Pursuant To Sections 33333.7 (Senate Bill No. 2113) and 33333.8 and Authorizing Transmittal To The Board Of Supervisors Of The City And County Of San Francisco; Yerba Buena Center Redevelopment Project Area.



Presenter: James Morales, Agency General Counsel

Speakers: Andrew Bryant, Linda Lucero, John Noguchi, Ace Washington

Commissioner Covington asked if the particular item would be incorporated into one document with the 12 ordinances included.

Mr. Morales stated that would not be the case; when the Board of Supervisor's amend the Redevelopment Plan, the Agency then produces a new amended plan with the amendments being incorporated into the underlying document. Mr. Morales indicated that when the Board of Supervisors and the Agency approved the Emporium site area which expanded the territory, it essentially kept the Yerba Buena Center's original plan as amended separate from the Emporium site area in 2000. Mr. Morales stated that as part of the proposed resolution, all that staff has done is take the 2000 amendment which expands the Emporium site area, and incorporate it in to the appropriate provisions of the original Redevelopment Plan.

Commissioner Covington asked how the extension is going to help the Agency with the 6,000 unit deficit.

Mr. Morales stated that as long as there is a Yerba Buena Center Redevelopment Plan in full affect, the Agency has access to tax increment for affordable housing as part of the agency's ongoing program and obligation; the Agency can use tax increment to build affordable housing anywhere in the City, it is not limited to a particular project area. Mr. Morales indicated that with the one year extension, the thought has not been thought out collectively about the amount of money that would go towards affordable housing for the next year, but that would be part of the discussions. The one year extension would give the Agency an opportunity to use some additional tax increment for affordable housing.

Commissioner Covington asked what the projected figure is.

Mr. Morales indicated that a budget has not yet been formulated for 2010/2011 but will begin the process shortly.

Commissioner Covington put forth a motion to adopt item 4(i).

Commissioner Swig seconded Ms. Covington's motion. Mr. Swig complimented Mr. Morales and staff for creating another beneficial opportunity for the community.

Commissioner Breed requested staff look into signage opportunities which would enhance the area and help the public locate the various establishments within the Yerba Buena Gardens as a whole.



ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 109-2009, APPROVING AMENDMENTS TO THE YERBA BUENA CENTER REDEVELOPMENT PLAN TO EXTEND BY ONE YEAR THE TIME LIMIT ON THE EFFECTIVENESS OF THE PLAN PURSUANT TO SECTION 33331.5 OF THE COMMUNITY REDEVELOPMENT LAW AND TO EXTEND TAX INCREMENT AUTHORITY FOR AFFORDABLE HOUSING FUNDING PURSUANT TO SECTIONS 33333.7 (SENATE BILL NO. 2113) AND 33333.8 AND AUTHORIZING TRANSMITTAL TO THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(j) Resolution No. 110-2009, Authorizing a Letter Agreement with the Mayor's Office of Housing in an amount not to exceed \$2,253,745 to provide funding to Hunters View Associates, L.P., a California Limited Partnership, for the HOPE SF revitalization project Hunters View, Middle Point and West Point Roads (Block 4624, Lots 3, 4 & 9 and Block 4720, Lot 27) and making environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area; Citywide Tax Increment Housing Program.

Presenter: Sally Oerth, Agency Staff

Speaker: Ace Washington

Commissioner Cheu put forth a motion to adopt item 4(j).

Commissioner Singh seconded Ms. Cheu's motion.

ADOPTION: IT WAS MOVED BY MS. CHEU, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 110-2009, AUTHORIZING A LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF HOUSING IN AN AMOUNT NOT TO EXCEED \$2,253,745 TO PROVIDE FUNDING TO HUNTERS VIEW ASSOCIATES, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR THE HOPE SF REVITALIZATION PROJECT HUNTERS VIEW, MIDDLE POINT AND WEST POINT ROADS (BLOCK 4624, LOTS 3, 4 & 9 AND BLOCK 4720, LOT 27) AND MAKING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM., BE ADOPTED.

5. MATTERS NOT APPEARING ON AGENDA: None



6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speakers: Ace Washington, Charles Range

7. REPORT OF THE PRESIDENT:

President Romero stated that his term on the Commission expired in September, has served three full terms, almost 12 years on the Commission, and would not seek reappointment to the Redevelopment Commission. Mr. Romero stated that his last meeting will be the next regularly scheduled Commission meeting, and will have more comments then.

8. REPORT OF THE EXECUTIVE DIRECTOR:

Mr. Blackwell updated the Commission on the Hugo Hotel. The Commission authorized a resolution of necessity for the use of eminent domain to acquire the property, and as part of those instructions were to go to trial if staff was not able reach a settlement agreement with the owners, particularly on the price. Staff did go to trial from August 31st through September 11th. The Agency's position was that the property offer of \$3.6M, but the owner felt the value was \$5.6M. The jury set the fair market for the Hugo Hotel at \$4.6M. The Agency's next step is to make the payment to acquire the property at which point the Agency will receive title and confer with the SOMPAC to determine the next steps. Mr. Blackwell stated that affordable housing with retail on the ground is being discussed for the property. Mr. Blackwell acknowledged the Agency Housing staff Olson Lee, Jeff White, Project Manager, Mike Grisso, and Andrico Penick, Agency's Counsel on the project. Mr. Blackwell stated an RFP will be issued in the beginning of 2010 for the demolition of the property.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

- Commissioner King stated that it was a pleasure working with President Romero over the last twelve years, wished him luck in his future endeavors.
 Mr. King stated they had their differences over the years but worked together and developed a respectful and meaningful relationship.
 - President Romero stated that he too enjoyed working with Mr. King and appreciated his friendship, and stated more than any Commissioner, he will miss him the most.
- Commissioner Breed reminded everyone that Commissioner King will be honored at the SPUR luncheon on Nov. 2nd and congratulated Mr. King. Ms. Breed stated students from the Bayview Hunters Point will be performing a live installation entitled, "Welcome to the Neighbor Hood", about the environmental issues that affects their neighborhood. The exhibit will run from Oct. 21st through January 10th, the opening reception is scheduled for Thursday, Nov. 12th at 762 Fulton at the African American Art and Culture Complex.



10. CLOSED SESSION: None.

11. ADJOURNMENT:

It was moved by Commissioner Breed, seconded by Commissioner King, and unanimously carried that the meeting be adjourned at 5:33p.m.

Respectfully submitted,

Gina E. Solis Agency Secretary

ADOPTED:

NOVEMBER 3, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 20TH DAY OF OCTOBER 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 20TH day of October 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President Rick Swig, Vice President London Breed Linda Cheu Francee Covington Leroy King Darshan Singh

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Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:



REGULAR AGENDA

(a) Commending and expressing appreciation to Learlene Wright for her services on the occasion of her retirement from the Redevelopment Agency of the City and County of San Francisco. (Resolution No. 111-2009)

Presenter: Jim Walter, Agency Staff

Speakers: None

Commissioner Covington extended her warmest congratulations to Ms. Wright on the occasion of her retirement. Ms. Covington stated she enjoyed interacting with Ms. Wright whenever she had the opportunity of visiting the Harbor, and stated that Ms. Wright was a treasure at the agency.

Ms. Covington put forth a motion to move item 4(b).

Commissioner Breed seconded Ms. Covington's motion. Ms. Breed congratulated Ms. Wright on the occasion of her retirement and thanked her for her 39 years of commitment and service to the City and County of San Francisco which she stated was commendable.

Commissioner King congratulated Ms. Wright for her good work and commitment for the past 39 years of service to the City and County of San Francisco

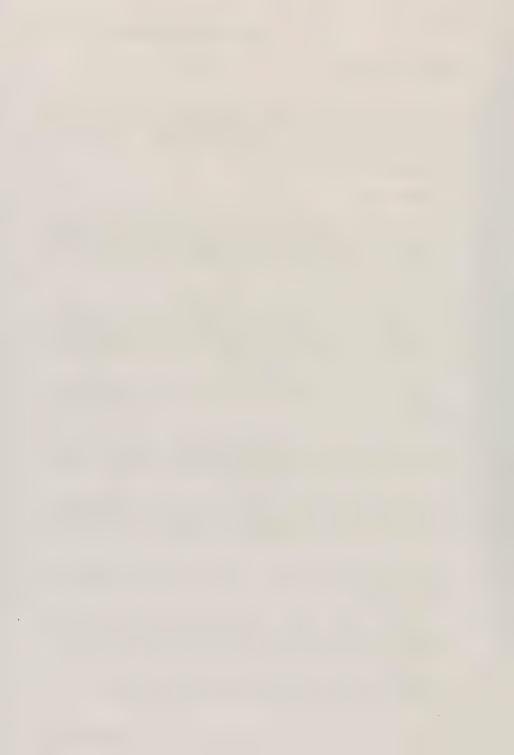
Commissioner Cheu stated that 39 years of dedication is admirable, and stated that Ms. Wright was very welcoming, professional and always very friendly. Ms. Cheu congratulated Ms. Wright and wished her the best of luck.

Commissioner Swig stated that because of her warmth and welcoming manner, Ms. Wright made the South Beach Harbor a warm and loving place as if it were her own home. Mr. Swig congratulated and thanked Ms. Wright for her 39 years of service to the City and County of San Francisco.

Commissioner Singh stated Ms. Wright was always very warm and accommodating to the Commissioners, congratulated and thanked her for her 39 years of service.

Commissioner Romero stated he appreciated how Ms. Wright welcomed the Commissioners at the South Beach Harbor, commended and congratulated Ms. Wright for the 39 years of service to the City and County of San Francisco.

Ms. Wright stated that it was a wonderful experience working for 39 years at the Agency and thanked everyone for their best wishes and kind words.



ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION 111-2009, COMMENDING AND EXPRESSING APPRECIATION TO LEARLENE WRIGHT FOR HER SERVICES ON THE OCCASION OF HER RETIREMENT FROM THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO BE ADOPTED.

(b) Commending and expressing appreciation to Ramon E. Romero for his dedicated service upon his occasion of his departure from the Redevelopment Agency of the City and County of San Francisco. (Resolution No. 112-2009)

Presenter: Fred Blackwell, Director

Mr. Blackwell stated on behalf of the staff of the Redevelopment Agency, he will be missed. Mr. Blackwell read the following resolution:

"Ramon E. Romero has served as a Commissioner of the Redevelopment Agency of the City and County of San Francisco ("Agency") since March 1998. Mayor Willie L. Brown, Jr. first appointed him and subsequently re-appointed him in 2001; Mayor Gavin Newsom re-appointed him to a third term in 2005. He has served the City and County of San Francisco ("City") and the Mayors who appointed him with distinction, loyalty, and intelligence.

During his tenure, Mr. Romero's colleagues on the Commission twice elected him as Commission President. He presided over the Commission meetings with fairness, efficiency, and diplomacy. He emphasized the importance of following rules of decorum during public comment and Commission deliberations to ensure that the debate over important and sometimes controversial issues occurred in a smooth and orderly manner. Mr. Romero was the first Latino to serve as President of the Agency Commission.

Mr. Romero approached each issue and project before the Commission with objectivity, analytical rigor, and astuteness. His comments always demonstrated the thoroughness of his preparation and his understanding of the complexities of redevelopment activities in a politically-fragmented urban environment. He publicly acknowledged and appreciated the professionalism and technical knowledge of Agency Executive Directors and staff members in their recommendations to the Commission, even when he disagreed with those recommendations.

In his eleven and one-half (11½) years of public service on the Commission, Mr. Romero has supported, and the Commission has adopted, numerous redevelopment plans and specific development projects that have improved, and will continue to improve, the economic vitality, urban landscape, and quality of life in San Francisco. With his oversight and approval, the Agency adopted the Mission Bay, Transbay, Bayview Hunters Point, and Visitacion Valley Redevelopment Plans. These thirty (30) year plans commit the City and the Agency to use the significant powers under redevelopment law to create positive changes in blighted areas where tens of thousands of San Franciscans live and work.



Mr. Romero's commitment to economic justice and equal opportunity has been demonstrated through his strong support for affordable housing development and for tangible public benefits required of private development. Since Mr. Romero's appointment, the Agency has expanded its affordable housing program and approved the development or preservation of thousands of units of affordable housing. He has also strongly supported the targeting of contracting and employment opportunities created by Agency-approved development to persons of color and those who are economically-disadvantaged.

Mr. Romero has served as an important link between the Agency and the City's Latino community. Although the Agency does not have a project area in any neighborhood where large numbers of Latinos live, Mr. Romero has promoted opportunities for the Latino community in specific projects. In particular, he has been a stalwart of the Mexican Museum's efforts to move to the Yerba Buena Center Redevelopment Project Area and provide a world-class facility for Mexican and other Latino art.

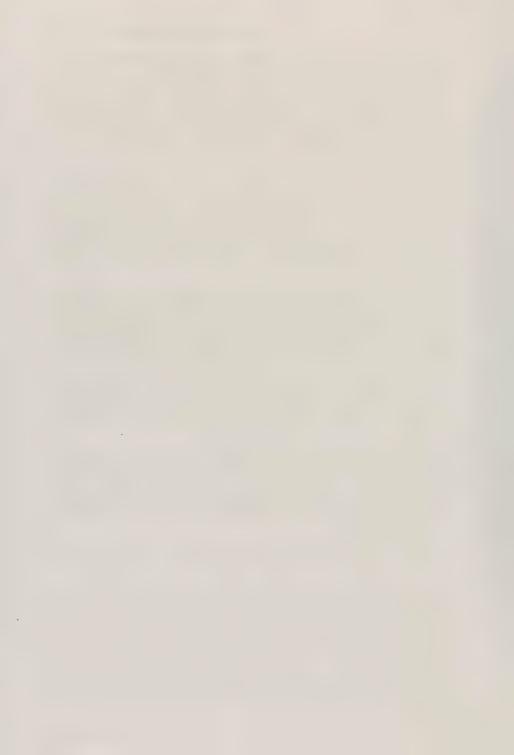
Mr. Romero has also served the City in other capacities during his Commission tenure. Most significantly, Mayor Newsom appointed him as a member of the Ten Year Planning Council that prepared, after numerous public meetings, The San Francisco Plan to Abolish Chronic Homelessness, which established the goal of providing 3000 supportive housing units for the chronically homeless. Mr. Romero served as chair of the Permanent Supportive Housing Committee.

Upon his departure from the Agency Commission, Mr. Romero will continue to serve the public interest through his work as an attorney for the California Teachers Association, a board member of the California Rural Legal Assistance, and other civic and community activities.

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency of the City and County of San Francisco, on behalf of the Agency's past and present Commissioners, Executive Directors, and Employees, recognizes Ramon Romero's significant public service that he has provided to the City and Agency and hereby expresses its sincerest appreciation and best wishes to him in all of his future endeavors."

Speakers: Eli Aramburo, Dr. Cancino, Jim Salinas, Sr., Frank Fernandez, Jose R. Padilla, Charles Range, Oscar James, Francisco DaCosta

Commissioner King made a motion to adopt item 4(b). Mr. King stated that both he and President Romero have been on the Commission together for many years, they didn't always see eye to eye on some issues, but over the years their relationship grew into an understanding of what each other stood for which resulted in what is now a close and respectful admiration for each other and a bond that will continue. Mr. King congratulated Mr. Romero for his service as President of the Commission and hopes to continue to work with him in the future. Mr. King thanked Mr. Romero for his commitment and service to the City and County of San Francisco.



Commissioner Swig thanked Mr. Romero for mentoring him in the relatively brief two years serving on the Commission, for teaching him the rules which were very valuable, and expressed his appreciation for his mentorship. Mr. Swig stated that Mr. Romero took on the responsibility of public service regardless of race, creed, color, and culture; he set a spectacular example of a role model for others who Mr. Swig stated, should follow in his footsteps. Mr. Swig congratulated Mr. Romero for his service to the City and County of San Francisco and wished him well.

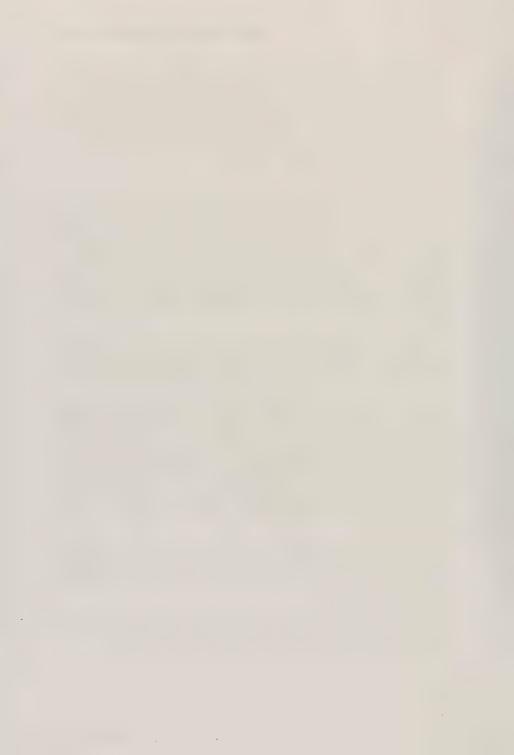
Commissioner Cheu stated it had been a great pleasure working with Mr. Romero on the Commission and expressed that he will truly be a loss to the Commission. Ms. Cheu stated that Mr. Romero was very level headed, reasonable, objective, smart, and had an ability to see what the key issues were. Ms. Cheu stated that Mr. Romero spoke on the issues clearly and diplomatically, always articulate, and maintaining at the same time a level of compassion for people in their situations and comments, and always treated everyone with respect. Ms. Cheu stated that Mr. Romero has been a model to her and to all Commissioners. Ms. Cheu thanked Mr. Romero and wished him well.

Commissioner Singh stated that he has known President Romero for the past 11 years, and expressed that he has been a great Commissioner, President, and a good friend. Mr. Singh congratulated Mr. Romero and wished him well.

Commissioner Breed wished President Romero the best and expressed that she was sorry to see him go. Ms. Breed stated they often have had conversations about a number of issues they did not agree on, but she respected his opinion, respected the value he brought to the decisions they had to make because they affect so many lives with their decisions. Ms. Breed stated during the time Mr. Romero committed to the City, he kept in mind in his decision making process to fight for organizations that were small who did not have the capacity to fight for themselves. Ms. Breed stated that Mr. Romero's work on the Commission was commendable and has been a great asset to the Commission.

Commissioner Covington thanked Mr. Romero for his service and expressed that she will miss their disagreements, and will miss him at the Giants games. Ms. Covington stated that serving on the Commission for 12 years was quite an accomplishment and expressed her appreciation for his service to the City and County of San Francisco.

Mr. Blackwell stated in addition to the resolution, a Certificate of Honor from Mayor Gavin Newsom was also presented to him which read as follows:

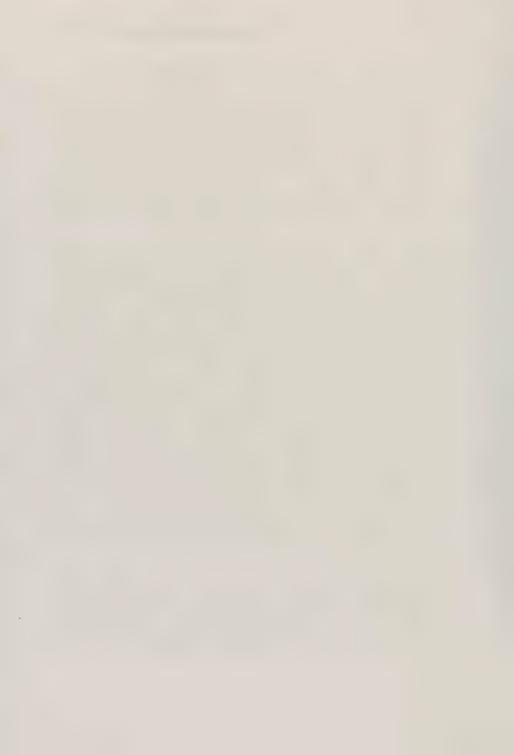


"Certificate of Honor, presented to Ramon E. Romero, October 20, 2009,

Whereas, on behalf of the City and County of San Francisco, I am pleased to recognize and honor Ramon E. Romero for his dedicated service as Commissioner of the Redevelopment Agency of the City and County of San Francisco since March 1998 when he was first appointed by Mayor Brown. Ramon has shown fairness, efficiency and diplomacy. During his tenure, Ramon's colleagues on the Commission twice elected him as Commission President making him the first Latino to serve as President of the Redevelopment Commission. His stewardship in commitment to economic justice and equal opportunity is truly commendable. Thank you for your service to our City, and best wishes on all your future endeavors."

President Romero stated the following: "I will not be able to name everyone that I would like to recognize for the wonderful time serving on this Commission. Everything that was said about me, except to those references of being a male or Latino could be said about anyone up here. It is such an honor to serve with a talented and dedicated group of people who have everything in common with my interests for what we think we should be doing. We all do it in a different way, we all have different personalities. Meeting Leroy and serving on the Commission with him and seeing how he works, there is only one other person he has known in his lifetime like him, and that's Caesar Chavez, which Leroy knew and marched with him. I worked with Caesar's union for four years, went to law school, and worked in his office, and he too argued with me as Leroy did. The values and personalities and how hard you fight, what a wonderful honor it has been to serve. I would like to thank the three Executive Directors I've worked with, Jim Morales - don't think I don't know who wrote this resolution - you hit every single thing that would be important to me and you didn't leave a single thing out except what an honor it was to work with you when you were a Director, and now as Counsel. Marcia Rosen, enjoyed working with her. There are so many talented people in the city who are willing to volunteer their time, and Fred, it's been a pleasure working with you. I can't believe how well we've gotten along, we were in sync with our ideas of how this Commission should work, understanding and getting to know all the different parties. People who have said about being sensitive to the Community, hits right there, Oscar, thank you very much."

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED THAT RESOLUTION 112-2009, COMMENDING AND EXPRESSING APPRECIATION TO RAMON E. ROMERO FOR HIS DEDICATED SERVICE UPON HIS OCCASION OF HIS DEPARTURE FROM THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO BE ADOPTED.



(c) Workshop on the Hunters Point Shipyard's Public Art program of the larger Cultural Historic Recognition Program; Hunters Point Shipyard Project Area.

Presenter: Ms. Akwa-Asare, Agency Staff

Speakers: Francisco DaCosta, Brian Moore

Commissioner Swig asked who set the timeline and why was it mandated that way.

Mr. Blackwell stated it is Federal EDA grant that has a sunset, and a timeline which is being driven by the deadlines at the Federal level.

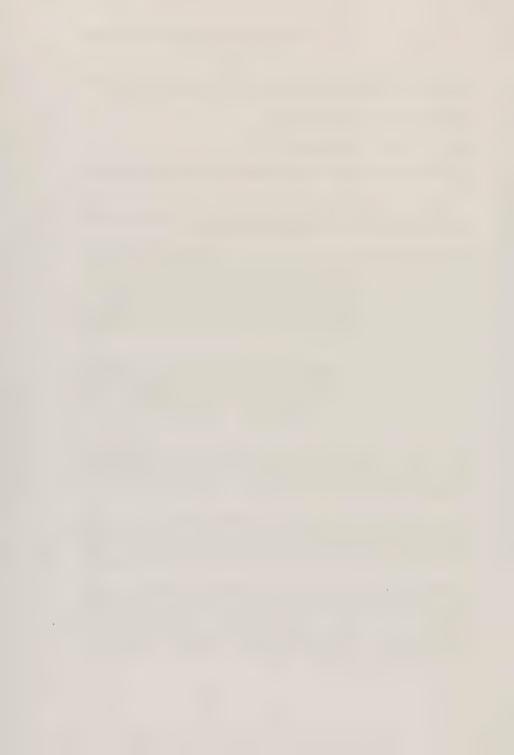
Commissioner Swig stated he shares some of the thoughts of the speakers. He stated that artists are the most important people in a culture, and wanted to make sure the community understood that it is a choice of giving the money back or going through the unfortunate process, and wanted the public to know that he is sensitive to the abomination to the process. Mr. Swig asked if the Federal grant prevents any bias towards favoring any member of the community, and if there is an opportunity for the community.

Ms. Akwa-Asare stated that since it is Federal funds it had to be a nationwide call. They specifically included one segment called the Opportunity Segment for emerging artists that want to break into the field of public art; a large number of local artists in the BVHP community could potentially fit into that category.

Commissioner Swig asked if there was an extra bias towards someone who comes in from the immediate BVHP or as far reaching as the rest of the San Francisco community so that the artists in the community can be rewarded with having one of their pieces in the location.

Ms. Akwa-Asare stated that they are not able to give additional points as some art bodies do for local artists since Federal funds are being used; it will be up to the selection jury which is composed of arts professionals from the Bay Area, and community members to select the artists that will make up the commission.

Commissioner Swig asked if any specific direction was being given to the artists who are bidding on the pieces that they will be evaluated on their ability to provide some linkage to the site, the history to site, the history of the community, the history to the culture of the community that celebrates what the community or piece of geography is all about, as opposed to coming up with some nice generic piece of art.



Ms. Akwa-Asare stated the list of criteria they used for the selection of art included a criteria stating familiarity with the Bayview Hunters Point community or similar to communities which was the furthest they could go under the restrictions. Their efforts have been extensive in encouraging as many local artists through their outreach efforts in San Francisco, specifically in the Bayview area which resulted in many submissions from local artists.

Commissioner Swig asked if there was any flexibility with allowing artists who are not proficient with CaFE.

Ms. Akwa-Asare stated artists who were not technically savvy with CaFE were offered workshops and one on one tutorial. Their thought was in using the CaFE process, it would be a benefit for the artists since once they go through the process and submit their applications, they are in the system, and the benefit would be that the artists will have future access to nationwide opportunities.

Commissioner Swig stated that the artwork is there to celebrate the geography, celebrate culture, celebrate the community and provide every opportunity for the community to embrace the art as theirs.

Commissioner Singh commended Ms. Akwa-Asare for a wonderful job. Mr. Singh stated as a member of the jury, he believes it to be a fair process and the result will be wonderful works of art.

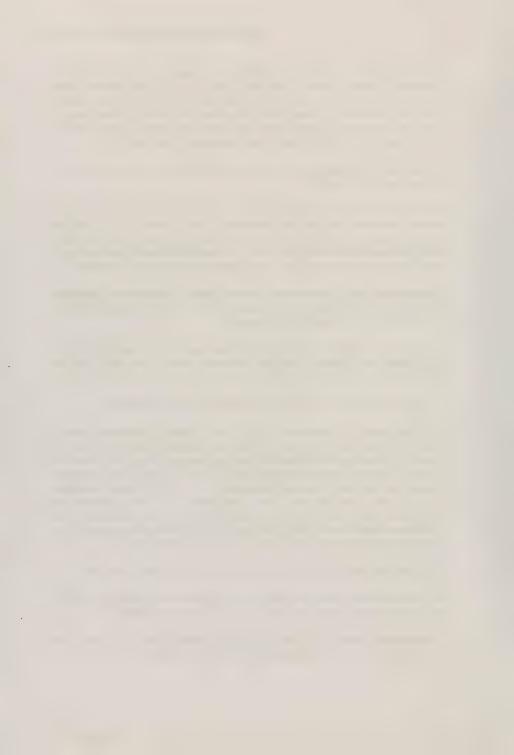
Commissioner Breed asked how the members of the jury were selected.

Ms. Fried stated the composition of the jury was selected by people suggested to them who are experts in the art field and recommendations by the Art Commission who had pre-selected a few jury members. Ms. Fried stated that she has 25 years of experience in jury competitions such as the 593 international competition, and the Oklahoma City competition. Ms. Fried stated in reference to CaFE, the San Francisco Arts Commission, San Jose, Oakland, and Sacramento, all of the larger Bay region major cities and airports that have public art use café entirely. Ms. Fried stated it was their recommendation to the Agency based on their speaking to people throughout the region.

Commissioner Breed asked if an extension of the grant would be possible.

Mr. Wells Lawson stated the grant has a very firm deadline of August 2010, but he is looking into creative ways with other EDA grants to extend it.

Commissioner Breed asked how the online support that took place at the Bayview Opera House was achieved without internet access.



Ms. Fried stated the Bayview Opera House has periodic internet access and was prepared in advance by downloading the program on their computers. Ms. Fried indicated that they had two workshops which provided the artists with step by step instructions shown on a large screen.

Commissioner Breed stated she was concerned about the timeline for the particular project and suggested that they do their best to be as creative as possible and not be rushed into producing a project that may not end up being the best project for the Bayview. Ms. Breed stated that she believes the artists who have been in the Bayview their entire lives should have their art displayed in the Bayview. Ms. Breed stated that she would not be supportive of artists who do not live in the Bayview or have roots in the Bayview displaying their art. As an Art Center Director, she stated that she understands that there are different types of artists and respects their work, but the Bayview is unique and believes there are talented artists in the Bayview and asked they explore other opportunities in displaying their art. Ms. Breed stated that she did not receive any information on the project as an Art Center Director nor did she receive a call for artists. She stated that as a Commissioner, she did not receive any information on the project. Ms. Breed requested that the information on the project be citywide, not just in a particular neighborhood.

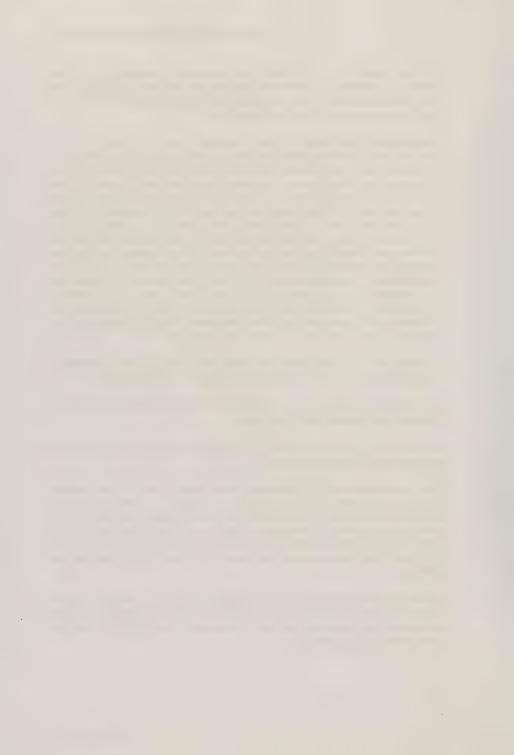
Commissioner Covington asked how many artists applied from the Bayview, including those who work in the Shipyard but don't live in the Bayview.

Ms. Fried stated there were 283 applications, many of which are from San Francisco, the Bayview and/or the Shipyard.

Commissioner Covington asked how the history of the area has been communicated to the potential artists.

Ms. Akwa-Asare stated the consultant team created a website that included information for the artists. A report was created by Matt Stevens in collaboration with the CAC, provided the report online in addition to other material on the parks and renderings to the artists. The second stage will be scheduled the following week to include a tour of the Shipyard, followed by a Q & A which will include experts from Levee, the Mayor's Office, and Agency Staff.

Commissioner Covington asked that experts from the community also be included in terms of the feeling, the heart of what the Shipyard means to the community; and to include a few people that worked in the Shipyard so they can put a human face on what it is.



Ms. Akwa-Asare stated there was a community workshop, a report was provided to the artists with the attempt to capture the spirit through the call for artists, personal services announcements through KPOO, and encouraged the community members to provide them with their experience about what the shipyard means to them. They are also planning to invite community members on the tour to interact with the artists.

Commissioner Covington asked if they are bound by a number of pieces that have to be produced. Ms. Covington stated that 15 pieces are too many to be successful for a small group of consultants to keep track of and to inspire. Ms. Covington also stated that there was not enough money to sustain 15 pieces of artwork. Ms. Covington asked what may be envisioned as a piece of artwork for \$25,000.

Ms. Akwa-Asare stated there was discussion in the community that there be one large piece which would have a larger commission, and there was also a strong suggestion that local and merging artists have the opportunity to be a part of the process. The poll was expanded to have a larger number of smaller commissions under the opportunity segment for artists who do not have a lot of experience in public art.

Commissioner Covington asked what type of public art for \$25,000.

Ms. Fried stated they will not know what type of public art until the jury reviews the proposals and responses from the comment cards early in December.

Commissioner Cheu thanked staff and the consulting team for the great job considering the schedule. Ms. Cheu stated that it was very critical that they look into options of extending the deadline since the art will be with the community forever. She stated that the issue about the local community is divided into two segments; one is the economic issue to have local artists from the community to have the opportunity to receive some of the money, and the second is the content of art that is created. Ms. Cheu stated that it is important to her that people who grew up in the Bayview who had a grandfather or father at the shipyard have a large piece of artwork that they can look at with pride and a tribute to them, and shows the history and heritage of the Shipyard. Ms. Cheu asked if in the call for proposals, specifically state that the art needs to be a tribute to the history of the shipyard, or can it be that they consider the context and then create anything.

Ms. Akwa-Asare stated that they have been pointing to the cultural historical recognition program along the way and have mentioned that in the call for artists. Community input has shown that there are several aspects that community members think is important; the history, the environmental aspect, a mix of issues that are priorities. She would not assume that all pieces would be historic in nature.



Commissioner Cheu asked if there was a signature piece.

Ms. Akwa-Asare stated they have only received qualifications and that it is impossible to say what the artists will do; the next stage will be the proposals.

President Romero thanked staff and the consultant for an excellent workshop and presentation.

Commissioner Breed asked who would be responsible for the long term maintenance of the project.

Ms. Akwa-Asare stated the Agency will be responsible with funds set aside in the District No. 8 Community Facilities District for maintenance of parks, including public art located in those parks.

Commissioner Breed stated that she was also in agreement with Ms. Covington in that she would not be supportive of numerous art projects; she would be more supportive of less.

(Agenda Items 4(d) - 4(e) were presented together, but acted on separately)

(d) Authorizing an Amended and Restated Loan Agreement with Hunters View Associates, L.P., A California Limited Partnership, to increase the Master Planning Loan by an amount not to exceed \$441,991 for Master Planning of the Hunters View Housing Development at Middle Point and West Point Roads, for an aggregate loan amount not to exceed \$1,441,991; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 113-2009)

Presenter: Erin Carson, Agency Staff

Speakers: Charlie Walker

Commissioner Swig thanked staff for their energy, care, and stewardship of the development. Commissioner Swig put forth a motion to move items 4(d) and 4(e). Mr. Swig stated, in terms of taking care of the community and being the steward, he takes it very seriously and stated that he also appreciates staff's stewardship of the project.

Commissioner Breed stated she was excited about the possibilities of the project for the Bayview community and looks forward to the start. Ms. Breed seconded Mr. Swig's motion.

President Romero stated that he was fully supportive of the project.



ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION 113-2009, AUTHORIZING AN AMENDED AND RESTATED LOAN AGREEMENT WITH HUNTERS VIEW ASSOCIATES, L.P., CALIFORNIA LIMITED PARTNERSHIP, TO INCREASE THE MASTER PLANNING LOAN BY AN AMOUNT NOT TO EXCEED \$441.991 FOR MASTER **PLANNING** OF THE **HUNTERS** VIEW HOUSING DEVELOPMENT AT MIDDLE POINT AND WEST POINT ROADS, FOR AN AGGREGATE LOAN AMOUNT NOT TO EXCEED \$1.441.991: BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA BE ADOPTED.

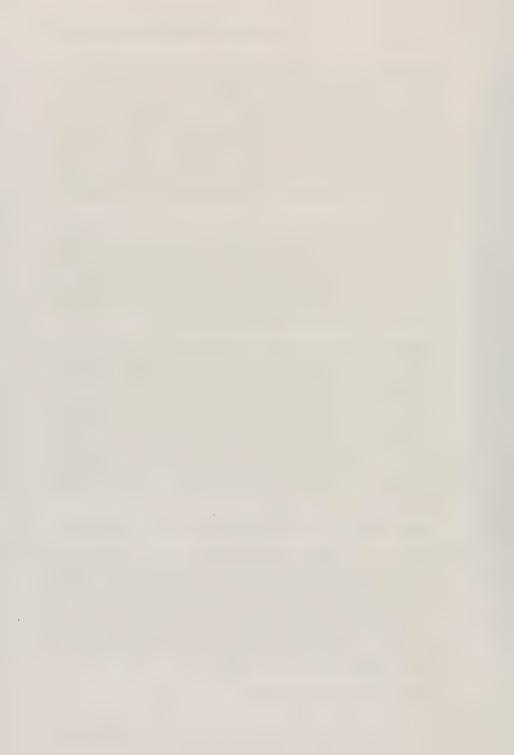
(e) Authorizing a Second Amended and Restated Loan Agreement with Hunters View Associates, L.P., a California Limited Partnership, to reallocate funds and modify the budget for Phase I Construction costs for the Hunters View housing development at Middle Point and West Point Roads, for an Aggregate loan amount not to exceed \$9,817,252, and adopting Environmental Findings Pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 114-2009)

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION 114-2009, AUTHORIZING A SECOND AMENDED AND RESTATED LOAN AGREEMENT WITH HUNTERS VIEW ASSOCIATES, L.P., A CALIFORNIA LIMITED PARTNERSHIP, TO REALLOCATE FUNDS AND MODIFY THE BUDGET FOR PHASE I CONSTRUCTION COSTS FOR THE HUNTERS VIEW HOUSING DEVELOPMENT AT MIDDLE POINT AND WEST POINT ROADS, FOR AN AGGREGATE LOAN AMOUNT NOT TO EXCEED \$9,817,252, AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA BE ADOPTED.

(Agenda Items 4(f) and 4(g) were presented together, but acted on separately)

(f) Authorizing the acquisition of a portion of Block 3180, Lot 1 located at Ocean and Phelan Avenues from the City and County of San Francisco for an amount not to exceed \$4,350,000, for the construction of up to 80 units of low and very low-income rental units and approval of a form of a Permit To Enter with the City and County of San Francisco for the continued operation of its transit use on the site and removal and relocation of the existing bus loop prior to construction of the affordable housing, and adopting environmental findings pursuant to the California Environmental Quality Act; Citywide Tax Increment Housing Program. (Resolution No. 115-2009)

Presenter: Teresa Yanga, MOH Staff



Speakers: None

Ms. Yanga submitted a letter of support from Supervisor Avalos.

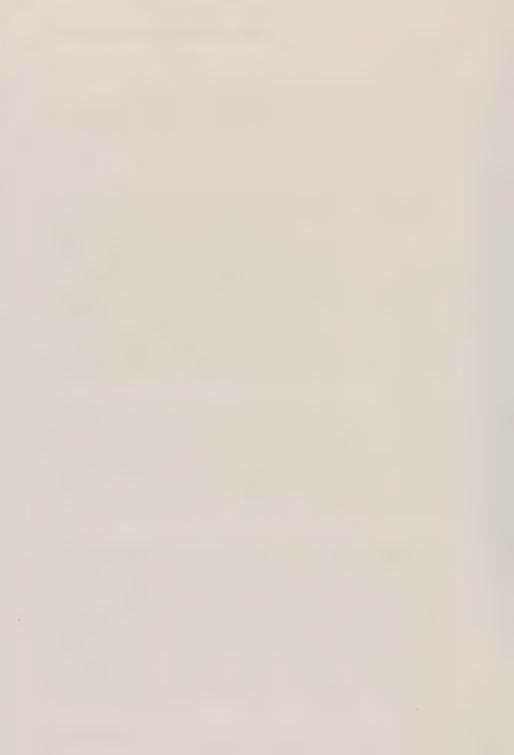
Commissioner Covington put forth a motion to move items 4(f) and 4(g). She expressed that she was glad to see that some of the units were going to be targeted to transitional age youth.

Commissioner Singh seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION 115-2009, AUTHORIZING THE ACQUISITION OF A PORTION OF BLOCK 3180, LOT 1 LOCATED AT OCEAN AND PHELAN AVENUES FROM THE CITY AND COUNTY OF SAN FRANCISCO FOR AN AMOUNT NOT TO EXCEED \$4,350,000, FOR THE CONSTRUCTION OF UP TO 80 UNITS OF LOW AND VERY LOW-INCOME RENTAL UNITS AND APPROVAL OF A FORM OF A PERMIT TO ENTER WITH THE CITY AND COUNTY OF SAN FRANCISCO FOR THE CONTINUED OPERATION OF ITS TRANSIT USE ON THE SITE AND REMOVAL AND RELOCATION OF THE EXISTING BUS LOOP PRIOR TO CONSTRUCTION OF AFFORDABLE HOUSING, ADOPTING ENVIRONMENTAL AND FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL **OUALITY ACT; CITYWIDE TAX INCREMENT HOUSING PROGRAM BE** ADOPTED.

(g) Authorizing a Tax Increment Loan Agreement with Housing Services Affiliate of the Bernal Heights Neighborhood Center, a California nonprofit public benefit corporation, for a loan in an amount not to exceed \$1,500,000, for the predevelopment of up to 80 units of low and very low-income housing on a portion of Block 3180, Lot 1, west of the northwest corner of Ocean and Phelan Avenues, and adopting environmental findings pursuant to the California Environmental Quality Act; Citywide Tax Increment Housing Program. (Resolution No. 116-2009)

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION 116-2009, AUTHORIZING A TAX INCREMENT LOAN AGREEMENT WITH HOUSING SERVICES AFFILIATE OF THE BERNAL HEIGHTS NEIGHBORHOOD CENTER, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR A LOAN IN AN AMOUNT NOT TO EXCEED \$1,500,000, FOR THE PREDEVELOPMENT OF UP TO 80 UNITS OF LOW AND VERY LOW-INCOME HOUSING ON A PORTION OF BLOCK 3180, LOT 1, WEST OF THE NORTHWEST CORNER OF OCEAN AND PHELAN AVENUES, AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; CITYWIDE TAX INCREMENT HOUSING PROGRAM BE ADOPTED.



- 5. MATTERS NOT APPEARING ON AGENDA: None
- 6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS: None
- 7. REPORT OF THE PRESIDENT:
- 8. REPORT OF THE EXECUTIVE DIRECTOR:
 - Mr. Blackwell stated the resolution to seek additional bond proceeds in order to cover payment to the State is being introduced to the Board of Supervisors today.
 - o The State has elected to drop the appeal of the first lawsuit
 - o CRA filed a class action lawsuit this date.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

- Commissioner Cheu announced that she was stepping down as Commissioner of
 the Redevelopment Agency and will be submitting a letter of resignation. She
 stated that she enjoyed working with all the Commissioners and it has been a
 pleasure being on the Commission. Ms. Cheu stated that she needed to devote
 more time to her professional and family life. She wished the best of luck to all.
- Commissioner Breed announced that Commissioner King is being honored at the Spur luncheon November 2, 2009.
- President Romero stated it was a pleasure working with Commissioner Cheu; she
 has significant things to say and pays close attention and is very insightful.
- 10. CLOSED SESSION: None.

11. ADJOURNMENT:

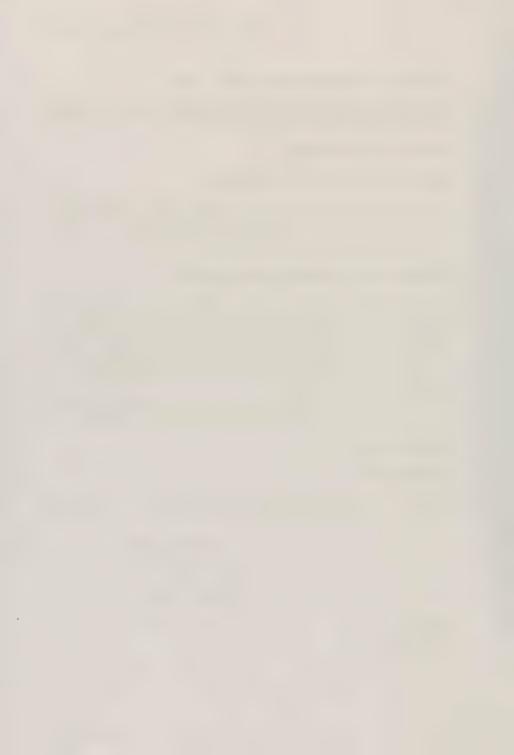
It was moved by Commissioner Swig, seconded by Commissioner Romero, and unanimously carried that the meeting be adjourned at 6:25 p.m.

Respectfully submitted.

Gina E. Solis
Agency Secretary

ADOPTED:

NOVEMBER 17, 2009



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 3rd DAY OF NOVEMBER 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 3rd day of November 2009, at the place and date duly established for holding of such a meeting.

Acting President Swig called the meeting to order at 4:00 p.m.

Mr. Swig welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Swig asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Swig stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Rick Swig, Acting President London Breed Francee Covington Leroy King Darshan Singh

Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.

GOVERNMENT DOCUMENTS DEPT

4. MATTERS OF NEW BUSINESS:

JAN - 7 2010

CONSENT AGENDA

SAN FRANCISCO PUBLIC LIBRARY

- (a) Approval of Minutes: Meeting of October 6, 2009
- (b) Resolution No. 117-2009, Authorizing a First Amendment to a Housing Opportunities for Persons with AIDS Supportive Services Agreement with Larkin Street Youth Services, a California nonprofit public benefit corporation, in an amount not to exceed \$148,713 for a total aggregate amount not to exceed \$1,193,145, for July 1, 2007 to June 30, 2010, for its Assisted Care Facility at 129 Hyde Street to provide program operating and service costs for youth living with HIV/AIDS; Housing Opportunities for Persons with AIDS Program.
- (c) Resolution No. 118-2009, Authorizing a First Amendment to a Housing Opportunities for Persons with AIDS Supportive Services Agreement with Dolores Street Community Services, a California nonprofit public benefit corporation, in an amount not to exceed \$40,595 for a total aggregate amount not to exceed \$1,478,645, for July 1, 2007 to June 30, 2010, for the Richard M. Cohen Residence, located at 220 Dolores Street, to provide program operating and service costs for people living with HIV/AIDS; Housing Opportunities for Persons with AIDS Program.
- (d) Resolution No. 119-2009, Authorizing a First Amendment to a Housing Opportunities for Persons with AIDS Supportive Services Agreement with Maitri, a California nonprofit public benefit corporation, in an amount not to exceed \$60,889 for a total aggregate amount not to exceed \$1,537,390, for July 1, 2007 to June 30, 2010, for its residential care facility located at 401 Duboce Street, to provide program operating and service costs for people living with HIV/AIDS; Housing Opportunities for Persons with AIDS Program.
- (e) Resolution No. 120-2009, Authorizing a First Amendment to a Housing Opportunities For Persons with AIDS Supportive Services Agreement with Catholic Charities CYO, a California nonprofit public benefit corporation, in an amount not to exceed \$182,653, for a total aggregate amount not to exceed \$4,532,713, for July 1, 2007 to June 30, 2010, for the Leland House, located at 141 Leland Avenue, to provide program operating and service costs for people living with HIV/AIDS; Housing Opportunities for Persons with AIDS Program.
- (f) Resolution No. 121-2009, Authorizing a First Amendment to a Housing Opportunities For Persons with AIDS Supportive Services Agreement with Catholic Charities CYO, a California nonprofit public benefit corporation, in an amount not to exceed \$129,889 for a total aggregate amount not to exceed \$2,260,645, for July 1, 2007 to June 30, 2010, for the Peter Claver Community located at 1340 Golden Gate Avenue, to provide program operating and service costs for people living with HIV/AIDS; Housing Opportunities for Persons with AIDS Program.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT THAT MINUTES FROM THE REGULAR MEETING OF THE REGULAR MEETING OF OCTOBER 6, 2009; RESOLUTION NO. 117-2009, AUTHORIZING A FIRST AMENDMENT TO A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS SUPPORTIVE SERVICES AGREEMENT WITH LARKIN STREET YOUTH SERVICES, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$148,713 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$1,193,145, FOR JULY 1, 2007 TO JUNE 30, 2010, FOR ITS ASSISTED CARE FACILITY AT 129 HYDE STREET TO PROVIDE PROGRAM OPERATING AND SERVICE COSTS FOR YOUTH LIVING WITH HIV/AIDS; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM: RESOLUTION NO. 118-2009, AUTHORIZING A FIRST AMENDMENT TO A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS SUPPORTIVE SERVICES AGREEMENT WITH DOLORES STREET COMMUNITY SERVICES, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$40,595 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$1,478,645, FOR JULY 1, 2007 TO JUNE 30, 2010, FOR THE RICHARD M. COHEN RESIDENCE, LOCATED AT 220 DOLORES STREET, TO PROVIDE PROGRAM OPERATING AND SERVICE COSTS FOR PEOPLE LIVING WITH HIV/AIDS; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM; RESOLUTION NO. 119-2009. **AUTHORIZING** Α **FIRST** AMENDMENT TO A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS SUPPORTIVE SERVICES AGREEMENT WITH MAITRI, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$60,889 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$1,537,390, FOR JULY 1, 2007 TO JUNE 30, 2010, FOR ITS RESIDENTIAL CARE FACILITY LOCATED AT 401 DUBOCE STREET, TO PROVIDE PROGRAM OPERATING AND SERVICE COSTS FOR PEOPLE LIVING WITH HIV/AIDS; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM; RESOLUTION NO. 120-2009, AUTHORIZING A FIRST AMENDMENT TO A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS SUPPORTIVE SERVICES AGREEMENT WITH CATHOLIC CHARITIES CYO, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$182,653, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$4,532,713, FOR JULY 1, 2007 TO JUNE 30, 2010, FOR THE LELAND HOUSE, LOCATED AT 141 LELAND AVENUE, TO PROVIDE PROGRAM OPERATING AND SERVICE COSTS FOR PEOPLE LIVING WITH HIV/AIDS; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM; RESOLUTION NO. 121-2009, AUTHORIZING A FIRST AMENDMENT TO A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS SUPPORTIVE SERVICES AGREEMENT WITH CATHOLIC CHARITIES CYO, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$129,889 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$2,260,645, FOR JULY 1, 2007 TO JUNE 30, 2010, FOR THE PETER CLAVER COMMUNITY LOCATED AT 1340 GOLDEN GATE AVENUE, TO PROVIDE PROGRAM OPERATING AND SERVICE COSTS FOR PEOPLE LIVING WITH HIV/AIDS; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM, BE ADOPTED.

REGULAR AGENDA

President Swig called a recess of the Redevelopment Agency Commission meeting and called the Special meeting for the City and County of San Francisco Redevelopment Financing Authority to consider items on the Financing Authority Agenda, after which the Redevelopment Agency Commission reconvened to consider the remaining agenda.

- 1(a) Resolution No. 5-2009, Authorizing the Issuance of 2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) in an initial aggregate principal amount not to exceed \$115,500,000; approving forms of an Indenture of Trust, Loan Agreements, Official Statement and Bond Purchase contract; authorizing the negotiated Sale of the Bonds, and authorizing and approving other matters properly relating thereto (Bayview Hunters Point Redevelopment Project Area Project Area B, Embarcadero-Lower Market (Golden Gateway) Approved Redevelopment Project Area E-1, Hunters Point Redevelopment Project Area, India Basin Industrial Park Redevelopment Project Area, Mission Bay North Redevelopment Project Area, Mission Bay South Redevelopment Project Area, Rincon Point-South Beach Redevelopment Project Area, South of Market Redevelopment Project Area, Transbay Redevelopment Project Area, Western Addition Redevelopment Project Area A-2 and Yerba Buena Center Approved Redevelopment Project Area D-1).
- 1(b) Resolution No. 6-2009, Authorizing the Issuance of the 2009 Series F Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) in an initial aggregate principal amount not to exceed \$7,500,000; approving forms of an Indenture of Trust, Loan Agreements, Official Statement and Bond Purchase contract; authorizing the negotiated Sale of the Bonds, and authorizing and approving other matters properly relating thereto (Bayview Hunters Point Redevelopment Project Area Project Area B, South of Market Redevelopment Project Area, Transbay Redevelopment Project Area, and Yerba Buena Center Approved Redevelopment Project Area D-1).

Presenter: John Daigle, Agency Staff

Speakers: None

Mr. Daigle noted that there was a technical error in the staff memo and resolution on the first item; the correct number is \$107.2M; \$7.5M is the correct number for the tax exempt series F bonds, and the balance of the \$107.2M is for the taxable series E bonds. Corresponding corrections have been made.

Commissioner Covington asked if the remaining 10% of the \$107.2M would be allocated for administration costs.

Commissioner Covington put forth a motion to move items 1(a & b). Commissioner Breed seconded Ms. Covington's motion.

Mr. Daigle clarified that the 10% will be going towards administration costs and 90% would go towards the projects as well as the CRAF. (The breakdown of the 10%/90% is for the need to establish a cash debit reserve.). Mr. Daigle stated they were able to fund the reserve funds in the past which provided one year of debt service for the security of the bond holders should revenues prove insufficient.

Speakers: None

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 123-2009, AUTHORIZING THE EXECUTION OF LOAN AGREEMENTS IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$7,500,000 RELATING TO THE ISSUANCE OF THE 2009 SERIES F TAX ALLOCATION REVENUE BONDS (SAN FRANCISCO REDEVELOPMENT PROJECTS) BY THE CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING **AUTHORITY:** APPROVING THE FINAL OFFICIAL STATEMENT AND BONDS PURCHASE CONTRACT RELATING TO THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO (BAYVIEW HUNTERS REDEVELOPMENT PROJECT AREA - PROJECT AREA B, SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, TRANSBAY REDEVELOPMENT PROJECT AREA, AND YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1)., BE ADOPTED.

President Swig adjourned the Special meeting of Redevelopment Financing Authority and reconvened the Redevelopment Agency Commission meeting to consider the remaining agenda.

(g) Authorizing the execution of Loan Agreements in an aggregate principal amount of not to exceed \$115,500,000 relating to the issuance of the 2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) by the City and County of San Francisco Redevelopment Financing Authority; approving the final Official Statement and Bond Purchase contract relating to the Bonds, and authorizing and

approving other matters properly relating thereto (Bayview Hunters Point Redevelopment Project Area – Project Area B, Embarcadero-Lower Market (Golden Gateway) Approved Redevelopment Project Area E-1, Hunters Point Redevelopment Project Area, India Basin Industrial Park Redevelopment Project Area, Mission Bay North Redevelopment Project Area, Mission Bay South Redevelopment Project Area, Rincon Point-South Beach Redevelopment Project Area, South of Market Redevelopment Project Area, Transbay Redevelopment Project Area, Western Addition Redevelopment Project Area A-2 and Yerba Buena Center Approved Redevelopment Project Area D-1). (Resolution No. 122-2009)

(h) Resolution No. 123-2009, Authorizing the execution of Loan Agreements in an aggregate principal amount of not to exceed \$7,500,000 relating to the issuance of the 2009 Series F Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) by the City and County of San Francisco Redevelopment Financing Authority; approving the final Official Statement and Bonds Purchase contract relating to the Bonds, and authorizing and approving other matters properly relating thereto (Bayview Hunters Point Redevelopment Project Area – Project Area B, South of Market Redevelopment Project Area, Transbay Redevelopment Project Area, and Yerba Buena Center Approved Redevelopment Project Area D-1).

Mr. Daigle again pointed out for the record that there was a technical error in the staff memo and resolution on the first item; the correct number is \$107.2M; \$7.5M is the correct number for the tax exempt series F bonds, and the balance of the \$107.2M is for the taxable series E bonds. Corresponding corrections have been made.

Commissioner Breed put forth a motion to move items 4(g and h). Commissioner Breed seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION 122-2009, AUTHORIZING THE EXECUTION OF LOAN AGREEMENTS IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$115,500,000 RELATING TO THE ISSUANCE OF THE 2009 SERIES E TAXABLE TAX ALLOCATION REVENUE BONDS (SAN FRANCISCO REDEVELOPMENT PROJECTS) BY THE CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY; APPROVING THE FINAL OFFICIAL STATEMENT AND BOND PURCHASE CONTRACT RELATING TO THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO (BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT **AREA** PROJECT AREA EMBARCADERO-LOWER (GOLDEN **MARKET** GATEWAY) APPROVED REDEVELOPMENT PROJECT AREA E-1. HUNTERS POINT REDEVELOPMENT **PROJECT** AREA. **INDIA** INDUSTRIAL PARK REDEVELOPMENT PROJECT AREA, MISSION

BAY NORTH REDEVELOPMENT PROJECT AREA, MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, RINCON POINT-SOUTH BEACH REDEVELOPMENT PROJECT AREA, SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, TRANSBAY REDEVELOPMENT PROJECT AREA, WESTERN ADDITION REDEVELOPMENT PROJECT AND YERBA BUENA CENTER **APPROVED** AREA A-2 REDEVELOPMENT PROJECT AREA D-1); AND RESOLUTION NO. 123-2009, AUTHORIZING THE EXECUTION OF LOAN AGREEMENTS IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$7,500,000 RELATING TO THE ISSUANCE OF THE 2009 SERIES F TAX **ALLOCATION** REVENUE BONDS (SAN **FRANCISCO** REDEVELOPMENT PROJECTS) BY THE CITY AND COUNTY OF SAN FINANCING FRANCISCO REDEVELOPMENT AUTHORITY: APPROVING THE FINAL OFFICIAL STATEMENT AND BONDS PURCHASE CONTRACT RELATING TO THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO (BAYVIEW HUNTERS REDEVELOPMENT PROJECT AREA - PROJECT AREA B, SOUTH OF REDEVELOPMENT PROJECT AREA, TRANSBAY REDEVELOPMENT PROJECT AREA, AND YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1), BE ADOPTED.

(i) Resolution No. 124-2009, Approving an Amendment of the Agency's Fiscal Year 09/10 Budget to allocate \$35 million for payment to the Educational Revenue Augmentation Fund.

Presenter: Amy Lee, Agency Staff

Speakers: None

Commissioner Covington made a motion to move item 4(i) with the stipulation not to exceed \$35M.

Commissioner Breed seconded Ms. Covington's motion.

President Swig asked General Counsel Morales if there was any action needed on the request that the resolution have a cap of \$35M.

General Counsel Morales stated the resolution caps the \$35M.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 124-2009, APPROVING AN AMENDMENT OF THE AGENCY'S FISCAL YEAR 09/10 BUDGET TO ALLOCATE \$35 MILLION FOR PAYMENT TO THE EDUCATIONAL REVENUE AUGMENTATION FUND, BE ADOPTED.

AGENDA ITEMS 4(j) AND (k) WERE PRESENTED TOGETHER BUT ACTED ON SEPARATELY

- (j) Resolution No. 125-2009, Authorizing a Fifth Amendment to the Hunters Point Shipyard Phase 1 Disposition and Development Agreement and a First Amendment to the Community Benefits Agreement between the Redevelopment Agency of the City and County of San Francisco and HPS Development Co., L.P.; Hunters Point Shipyard Redevelopment Project Area.
- (k) Resolution No. 126-2009, Conditionally approving the combined Basic Conceptual and Schematic Designs for residential projects on Blocks 53 and 54 at Hunters Point Shipyard and adopting environmental findings pursuant to the California Environmental Quality Act; Hunters Point Shipyard Redevelopment Project Area.

PRESIDENT SWIG CALLED FOR A 5 MIN RECESS DUE TO TECHNICAL DIFFICULTIES

Presenter: Thor Kaslofsky

Speakers: Marcia Dale-LeWinter, Gary Banks, Pastor Josiah Bell, Dr. Veronica Hunnicutt, Rev. Arelious Walker, Manny Flores

Commissioner Covington emphasized Mr. Flores' comments that there are a many developers in the City and County of San Francisco who are abandoning their projects or putting them on terminal hold, and commended the developers for continuing to move the project forward. Ms. Covington stated that there has been a tremendous amount of time, energy, creativity, and money that will finally produce a community everyone will enjoy and appreciate. Ms. Covington asked for information about security for the new development and how many units will be wheelchair accessible.

Mr. Maze stated out of the 159 units in the two blocks, 69 of those units are entirely accessible with elevators; the three story townhouses are not wheelchair accessible. Mr. Maze stated security is passive and will rely on neighborhood watch.

Commissioner Covington expressed her concern for the safety of the neighborhood since a large majority of the buyers are going to be women with children and noted that she was concerned about the glass doors. She stated that the first level of access is extremely important and an important selling feature but most importantly, safety is paramount. Ms. Covington asked what the plans were for lighting in public spaces and if there was going to be any solar generation in the areas.

Mr. Maze indicated they have not gone into such details at this stage of the project but a green sustainable consultant was brought in by Lennar to inject

that side in the project. Mr. Maze stated that he will make sure Ms. Covington's concerns are addressed.

Commissioner Covington put forth a motion to move item 4(k).

Commissioner Breed expressed her concern on the size of the units; she does not think the square footage is sufficient for the project. Ms. Breed stated that she has yet to receive a reply from her request at a previous meeting as to changing the size of the units since she feel the units were too small. She asked that her request be taken seriously in exploring future opportunities with the shipyard; what the size of units need to be and height restrictions should also be looked into. Ms. Breed clarified that the town homes are not accessible and noted that one block consists of town homes and the other block, which do not have town homes, are where all the accessible units are located. Ms. Breed requested that staff communicate to the public that the number of affordable units are not being reduced.

Commissioner Singh asked what the price level is that will not be affordable.

Mr. Jack Roberts stated the units range from \$375,000 for one bedroom up to \$700,000 for the 3 bedroom town homes; two bedrooms range from \$500,000-\$600,000.

Commissioner Swig thanked staff and the CAC for their endurance, hard work, flexibility, and a common sense approach in making the project work. Mr. Swig underscored what he has been said before, about how difficult the environment is and will not get any easier for the next couple of years. Mr. Swig stated on behalf of his fellow Commissioners their appreciation to all involved for the continued dedication and hard work.

Mr. Swig asked how the ratios were established and is there the opportunity to change 3 bedrooms down to 2 bedrooms to adjust accordingly to expand those smaller 600 square foot units.

Mr. Roberts stated they have been looking at what the revenue potential is and the cost side; they are in the beginning phases of development, testing the market, following the market in terms of trying to judge what price points they will be able to achieve. Mr. Roberts noted that they are a little cautious and restraint in their pricing until there is more of an established neighborhood. He noted that the townhomes are geared more towards families which are typically the 3 bedroom units in most cases; the flats in block 51 and 53b will be primarily one and two bedrooms and does not see as deep a market in 3 bedroom homes in a podium type condominium building. He stated that families with children prefer to be in a more single family type environment.

Commissioner Swig asked for information about parking, transportation, the width of the streets, both personal and private transportation, and the availability of public transportation to the neighborhood.

Mr. Kaslofsky stated the streets are 30 feet wide which can accommodate parking on both sides of the streets, with the exception of a bus stop at the foot of Innes. On Block 51, there are no parking zones except for the fire hydrants.

Mr. Kava stated there are 212 covered parking spaces for the 159 units, a 1.35 ratio. He stated they are also counting on street parking that would be available which amounts to 42 spots for guests for others who may have more than one car. In total, there are 254 parking spaces inside the units and the surrounding blocks for the 159 units.

Commissioner Swig asked what the typical ratio in an intercity type development was, and what a quasi suburban development would be.

Mr. Kava stated in an urban area, anything around 1 and under, and indicated that there are certain parts in the city where not even one for one is allowed. There is a maximum number of parking stalls for each unit allowed which is less than one per unit.

Mr. Kaslofsky stated that there is only one single bus line, the 19, that goes to the shipyard. He indicated that at this point MTA is not planning to add additional lines except to service the potential phase two development. MTA will increase the frequency of the bus as the occupancy were to grow in the hilltop; any larger public transportation improvements will be coming as the result of the Phase Two development.

Commissioner Swig suggested, with the anticipated growing population in the community, that they encourage MTA to revisit and review their capacities since there will be two person working households either working in the city or elsewhere. Mr. Swig requested that staff review with MTA on the future needs of the community. Mr. Swig stated the construction direct costs line item have increased from \$67M to \$76M, a total of 15%, and construction indirect costs increased from \$26M to \$39M which is a 50% increase; the ratio of construction indirect costs have far exceeded the growth over direct costs. Mr. Swig asked for the description of what are indirect costs are.

Mr. Collin Elliott stated that direct costs are costs such as putting the roads and infrastructure in the ground; the indirect are referred to as costs for services of architects, civil engineers, lawyers, environmental consultants, fees, permits, design work; added costs that are extended in time.

Commissioner Breed inquired as to what the plans are to train the residents of the Bayview and what is currently being done to prepare residents for the job opportunities that will exist when the project gets underway. Ms. Breed noted if residents are being prepared for the jobs other than construction jobs, it is imperative that relationships with the union need to be forged to ensure that locals are part of the unions as well. Ms. Breed asked who will be selling the homes.

Mr. Kaslofsky stated that staff will address all of the Commissioners concerns in an informational memorandum and will also include information on the tremendous amount of workforce initiatives being proposed.

Commissioner Singh seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 126-2009, CONDITIONALLY APPROVING THE COMBINED BASIC CONCEPTUAL AND SCHEMATIC DESIGNS FOR RESIDENTIAL PROJECTS ON BLOCKS 53 AND 54 AT HUNTERS POINT SHIPYARD AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA., BE ADOPTED.

(I) Workshop on Mater Project Labor Agreements (PLA)

Presentation by Claudine del Rosario, Stephen Maduli-Williams, Agency Staff

Mr. Blackwell stated one of the primary benefits to redevelopment as a process is the notion of being able to deliver jobs to project area residents both during the construction phase of a project, but also the permanent part of a project. The Agency enjoys one of the best reputations in terms of having aggressive policies and programs to deliver local hire, but time to time there are conflicts on particular sites around the extent to which there are local hiring conflicts between contractors. Unions, as well as developers on the jobs that are being created. Mr. Blackwell stated that over the last 18 months to two years, there has been a significant bump in the road with regard to the economy where they have been increases in unemployment both at the community level, among union members, as well as contractors not having opportunities as they have had in the past either. As a result of that, there have been instances over the last year where the conflicts at work sites have escalated and there have been times where there have been work stoppages and concerns about workplace safety given the level conflict that is going on the sites. Mr. Blackwell stated that during that period, they have been working hard on coming up with solutions. They have been holding workshops with the Commission on improvements to the Agency's workforce development system, making changes to that system, strengthening partnerships with the City to make sure that there is sound infrastructure in place, not only for job training but also placement. In addition, they have constructed, in addition to the working group who have been meeting for years on contracting matters, have recently put together a working group just on employment related issues so as to have a broader cross section of people engaged in the conversation about workforce development and how to meet those goals. Over the last few months they have been aggressively exploring the development of area wide master Project Labor Agreements (PLA) for the southeast and part of the City. Mr. Blackwell stated that before getting too

much farther down the road of having these discussions, they been having in discussions with various construction trades, contractors, as well as developers and community members about the PLA. Mr. Blackwell stated the purpose of the workshop is to provide an update, and to give the Commission a sense of what their current thinking is of why they would like to pursue a PLA and what they think the potential benefits are and to give the Commission a sense of the timeline. Mr. Blackwell stated that they anticipate, through this process, to collect a significant amount of data, both related to the projects that are in the pipeline, the potential effect of a PLA, as well as a significant amount of data on the existing population in San Francisco and their participation on the trades and the opportunities and the pool of people they may be talking about. Mr. Blackwell stated staff anticipates coming back to the Commission in December or January for approval to negotiate through the data collection process and their ongoing discussions with the various stakeholders.

Speakers: Terry Anders, Michael Theriault, Joshua Arce

Commissioner Covington complimented those who have participated in the Workforce on Development Task Force. She stated that they have held a series of eight meetings and a part of those meetings was discussion on the prototype agreement in the Los Angeles area. Ms. Covington stated that the Agency's senior staff along with the Executive Director went to Los Angeles to find out how they have been able to develop a blanket agreement as opposed to development by development basis. Ms. Covington stated that it was imperative that there be as much local hiring as we possibly can and that a good relationship is developed with the unions so they fully understand what the Agency is trying to do. Ms. Covington asked Mr. Maduli-Williams to speak on the Workforce Task Force and to give a synopsis as to why the 50% hiring goal for local hiring had not been met in the past.

Mr. Maduli-Williams stated Director Blackwell came to a conclusion that he wanted to create a workforce working group similar to the working group related to SBE contracting, in order to place the Agency in a better position in terms of local hiring; particularly knowing that there is at least \$2 billion worth of upcoming work in the southeast. The Workforce group which includes developers, contactors, CBO's, as well as Agency, and City staff have had at least eight meetings to discuss issues related to workforce and to help the Agency plot a course and a path forward in terms of addressing some of the workforce concerns in the southeast. After meeting with the Workforce Group, some of the questions they came up with are: what are some of the strategies needed to employ, how to move forward from contemplation and planning to executing all that needs to make things happen. Mr. Maduli-Williams stated, in terms of why the Agency has not met the 50% hiring goal, he is not sure if anyone has an answer, both within the Agency or the City family. He stated that one thing is that it is a Labor supply issue; there is not enough supply of union workers by trades to consistently hit the 50% number. The other component prior to the last 2-3 years is that the

construction industry had been busy. Mr. Maduli-Williams stated that another reason why they would like to order labor market studies is to have a breakdown of the different trades and their percentage of work.

Commissioner Covington asked Ms. Simmons to talk about the various academies that will be going on line soon.

Ms. Simmons stated that she has been charged with setting out a larger policy agenda which she presented some time ago on a larger workforce plan for the City and County, not only for construction workforce. She has developed a series of sector academies and have expanded to be more inclusive of additional academies they feel San Franciscans will have an opportunity for employment and engage female and young adults in the workforce efforts. They have developed a healthcare academy in partnership with City College; a green collar academy that will focus on automotive, weatherization, and solar installation in partnership with City College, a non-profit sector to try to train up and coming groups. The non-profit sector is a very viable sector in San Francisco with about 60,000-70,000 people working in various community based non-profits in San Francisco. Ms. Simmons stated that she also hopes to expand to include a transportation academy, and are waiting to see what the market looks like to determine what other startups they may want to include. Ms. Simmons stated that the idea of the sector academies is that they are no more than 14-18 weeks of training to get a population of people that have not been in workforce, engage in a particular sector, get some baseline training, and get into entry level jobs. She initially identified seven sectors that included bio-tech, in addition to hospitality, retail, digital media, and information technology prior to the recession but hopes to expand the notion of the short term academies once the recession is over. The partnership model is City College as the training provider, the City will contract with community based organizations to provide all the wrap around supports and case management outreach, and the City will play a strong role in placement when they are done with the sectors. Ms. Simmons state, along with the community based organizations; they will try to leverage the opportunities they have through First Source Hiring and place local hiring policy goals to get people placed.

Commissioner King stated that he did not appreciate that the head of the Building Trades was not allowed to speak, and unless there is no agreement with the building trades, the program will not go forward. Mr. King stated that San Francisco is a labor town and there will not be any support unless Mr. Theriault gives the support.

Commissioner Covington stated that she asked Ms. Simmons to speak since she had not had any occasion to speak before on the subject matter before, and believed there may have been some misunderstanding and asked Mr. Theriault to come up to speak. Ms. Covington stated that Mr. Theriault has been to all eight meetings and is a very active member of the Working Group Task Force.

Mr. Theriault stated that he is weary of mandates coming down from the Commission that would lead him to say they cannot negotiate which is why he started to say what some of the standard subjects of negotiations would be and what they should be weary of in terms of mandates. He was talking about the local hiring goals and good faith efforts, he understands that good faith efforts do not have a great deal of credence in the City, thinks they should watch what goes on in City College over the next few months to see how that is implemented and what the results are so they will actually know what a vigorous pursuit of good faith efforts means in terms of achieving local hire. Mr. Theriault stated they would then know when they enter into negotiations what their parameters are in terms of actually working with good faith efforts or going beyond them. Among the details of that effort at City College is a letter to all contractors detailing a set of rational good faith efforts, the hiring of a community monitor to patrol the job and the dispatch systems on a regular basis to see what's done, and regular community meetings on a monthly basis to hear the concerns of the community and to have issues brought forward so that the community monitor can pursue those. Mr. Theriault stated that this is going to be a public sector PLA as he understands it. With public sector PLAs you are obliged to allow non union contractors to bid on and obtain the work. An issue that inevitably comes up in allowing non union contractors to bid on and obtain the work is the use of their core employees; employees who have been employed by those contractors for a period of time. In some jurisdictions such as Contra Costa counties in private sector PLAs, there are no core employees. He stated that non union contractors, if they're going to obtain the work, have to get all the workers from the union which is true in recent PLAs in San Mateo County as well. Mr. Theriault stated that there are core employees in the City College PLA to a limit of five per contractor; there are core employees in the San Francisco Unified School District on the sliding scale depending on the dollar value of contracts, core employees in the PUC PLA up to a limit of 7 per trade per contractor. (For instance, if a contractor were employing laborers, carpenters and operating engineers it would mean that 21 core employees that are not in the union.) Mr. Theriault stated there is no control over who those employees are, and therefore have no control over the compensation of the workforce while they are core employees. He stated that it is something very much to bear in mind in the course of pursuing the PLA and the Commission is probably in a position to where they either have to take the difficult step of saying that there will be no core employees under a public sector PLA or, in order to accept the private sector PLA's, they will need to fulfill the requirements of which you are looking for provided they are clear on those requirements and have negotiated them in advance. Mr. Theriaults' other concern is the list of trades and the difficulties they will have in fulfilling the local hiring provisions. As he understands it, the goal is project-wide which does not mean then that a specific contractor or specific trade has to have 50% of its workforce from the district that is well beyond what Los Angeles has achieved. He indicated that it is not to say it is something that can be worked towards, but it is well beyond what has already been achieved in the most rigorous of PLA local hiring provisions in the country. Mr. Theriault also

noted that in considering consultants for the negotiations, he heartedly encouraged that they have someone as well versed on this matter as him.

Commissioner Covington thanked Mr. Theriault for his comments and clarifications and for pointing out various areas for them to continue their discussions. Ms. Covington asked Mr. Theriault, in terms of background, had he been attending all the meetings from the beginning, if the meetings have been collegial, and if there were other union members at the table attending the meetings.

Mr. Theriault stated he has attended most meetings, all meetings have been collegial, and stated that there have been contractors, along with union contractors attending the meetings.

Commissioner Breed stated that she attended the last meeting and recalled one of the things mentioned is the willingness of the unions to begin to work together to open the doors for locals in the area. Ms. Breed thanked everyone for their commitment in trying to make the program work for the City.

Commissioner King stated the labor movement removed barriers over 30 years ago. He indicated that his brother was a boilermaker from Local 6 who broke the barriers 30 years ago because they did not have any blacks or minorities in any unions. Mr. King stated San Francisco is a labor town and encouraged staff to include heads of the labor movement in discussions and to get their commitment.

Mr. Blackwell stated that he wanted to assure the Commissioners that they will turn over every rock in terms of everyone's participation. He stated that he went to the Executive Committee of the Building Trades to discuss the PLAs with electricians, carpenters, laborers, plumbers, pipe fitters, and machine operators in attendance, and plans to continue that level of communication in openness and dialogue with the unions. Mr. Blackwell stated in terms of both relationships with the unions and in terms of the relationship with the communities that are going to be impacted by this, he stated that this has the potential to be adopted citywide that can incorporate more areas and more city departments. He stated that the potential in terms of process is vast and is important to get it right in terms of process, including having the type of relationship Mr. King spoke of with the Unions.

Mr. Swig thanked Mr. King for his leadership and making sure that Mr. Theriault spoke for the proper amount of time, but unfortunately, they are governed by two-three minute rules; and Mr. Theriault was a victim of the 2-minute rule. He also appreciated Ms. Covington's understanding of the rules and for being able to stimulate the opportunity for Mr. Theriault to speak. He thanked Mr. Theriault for his understanding and patience. Mr. Swig stated that what he sees is the important piece, Commissioner King. He stated that the opportunity is that there be future Leroy King's in the community, and through negotiations and opportunities as discussed, they will have leaders

such as Mr. King in the spirit of the PLA initiative. He stated that he looks forward to the next phase to this as well as his fellow Commissioners.

(m) Authorizing a tax increment loan agreement with MSPDI Turk, LLC, a wholly-owned subsidiary of Michael Simmons Property Development, Inc., a California corporation, in an amount not to exceed \$16,072,427 for the development of 32 condominium units for low- and moderate-income, first-time homebuyers at 1345 Turk Street, and adopting environmental findings pursuant to the California Environmental Quality Act; Citywide Tax Increment Housing Program. (Resolution No. 127-2009)

Presenter: Michelle Davis

Speakers: None

Commissioner Singh asked what the term of the loan was.

Ms. Davis stated the \$1.8M loan will be repaid from sales proceeds once the condos are built. After each unit is sold and the construction loan is paid off, the agency will then receive \$1.818M with the balance of the funds staying with the units as a long term subsidy in the Agency's affordable limited equity program. The subsidy will stay with the units when a buyer sells a unit, that subsidy will roll over to the next buyer to keep the unit affordable over the long term for 55 years.

Commissioner Covington put forth a motion to move item 4(m). Ms. Breed seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. RESOLUTION NO. 127-2009, AUTHORIZING A TAX INCREMENT LOAN AGREEMENT WITH MSPDI TURK, LLC, A WHOLLY-OWNED SUBSIDIARY OF MICHAEL SIMMONS PROPERTY DEVELOPMENT, INC., A CALIFORNIA CORPORATION, IN AN AMOUNT NOT TO EXCEED \$16,072,427 FOR THE DEVELOPMENT OF 32 CONDOMINIUM UNITS FOR LOW- AND MODERATE-INCOME, FIRST-TIME HOMEBUYERS AT 1345 TURK STREET, AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

(n) Workshop regarding the schematic design for 73 units of very low income rental housing at 6600 Third Street, pursuant to an Acquisition and Predevelopment Loan with Third and LeConte Associates LP, a California Limited Partnership; Bayview Hunters Point Redevelopment Project Area; Citywide Tax Increment Housing Program.

Presenter: Kate Hartley

Speakers - Linda Richardson

Commissioner Breed inquired as to whether the project had been discussed and shown to members living in the neighborhood.

Michael Simmons stated he has met on four occasions with the Bayview Hill Neighborhood Association and their concerns were tenant selection; the tenants concerns were who the tenants will be and how they will integrate into the neighborhood. They held several community meetings and a working group and came to a number of mitigation measures with the community which will be incorporated into a MOU.

Commissioner Breed asked how large the units were.

Mr. Simmons stated that the studios are 330 square feet, equivalent to an SRO unit, two bedrooms 1,000 sq.ft., three bedrooms 1,200 sq.ft.

Commissioner Breed requested that the bathrooms be moved closer to the bedrooms and not the kitchen as they are currently designed.

Commissioner Covington stated that she too agrees it is a good design and 73 units for formerly homeless is significant. She asked if there are any provisions for young people who have aged out of the foster care system.

Mr. Simmons stated that they do not have units set aside but will be working with case managers in the shelters and local resource centers to identify individuals who are ready to make the next step to permanent housing.

Commissioner Covington requested that before the young people become homeless, case workers should be made aware and that they are about to age out of the systems and she requested that they have a direct route for applying for the studio apartments. She would like that addressed before they become homeless.

Kate Hartley stated that they are in discussions with HAS and has formally addressed the transition aged youth issue. Staff is pursuing the issue to ensure that the young adults are brought into the development.

(o) Authorizing a Second Amendment to the Tax Increment Loan Agreement with 365 Fulton, L.P., a California Limited Partnership, to revise the loan disbursement budget and schedule of performance for the development of 120 units of very-low income supportive housing on Central Freeway Parcel G, southeast corner of Gough and Fulton Streets, Citywide Tax Increment Housing Program. (Resolution No. 128-2009)

Presenter: Erin Carson

Speakers: None

ADOPTION: IT WAS MOVED BY MS. COVIINGTON, SECONDED BY MR. SING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 127-2009, AUTHORIZING A TAX INCREMENT LOAN AGREEMENT WITH MSPDI TURK, LLC, A WHOLLY-OWNED SUBSIDIARY OF MICHAEL SIMMONS PROPERTY DEVELOPMENT, INC., A CALIFORNIA CORPORATION, IN AN AMOUNT NOT TO EXCEED \$16,072,427 FOR THE DEVELOPMENT OF 32 CONDOMINIUM UNITS FOR LOW- AND MODERATE-INCOME, FIRST-TIME HOMEBUYERS AT 1345 TURK STREET, AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

AGENDA ITEMS 4(p) AND (q) WERE PRESENTED TOGETHER BUT ACTED ON SEPARATELY

- (p) Resolution No. 129-2009, Authorizing an Amended and Restated Housing Opportunities for Persons with AIDS Capital Loan Agreement in an amount not to exceed \$243,487, for a total aggregate amount not to exceed \$1,493,487, with The Black Coalition on AIDS, a California nonprofit public benefit corporation, for the rehabilitation of Brandy Moore House, an 11-bed Transitional Housing Site, 1761 Turk Street; Housing Opportunities for Persons with AIDS Program.
- (q) Resolution No. 130-2009, Authorizing an Amended and Restated Housing Opportunities for Persons with AIDS Capital Loan Agreement in an amount not to exceed \$331,488, for a total aggregate amount not to exceed \$806,488, with Baker Places, Inc., a California nonprofit public benefit corporation, for the rehabilitation of Ferguson Place, a 12-bed transitional housing site, 1249 Scott Street; Housing Opportunities for Persons With AIDS Program.

Presenter: Pam Sims

Speakers: None

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MS. BREED, MS. COVINGTON ABSTAINED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 129-2009, AUTHORIZING AN AMENDED AND RESTATED HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT IN AN AMOUNT NOT TO EXCEED \$243,487, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$1,493,487, WITH THE BLACK COALITION ON AIDS. CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE REHABILITATION OF BRANDY MOORE HOUSE, AN 11-BED TRANSITIONAL HOUSING SITE, 1761 TURK STREET; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 130-2009, AUTHORIZING AN AMENDED AND RESTATED HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT IN AN AMOUNT NOT TO EXCEED \$331,488, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$806,488, WITH BAKER PLACES, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE REHABILITATION OF FERGUSON PLACE, A 12-BED TRANSITIONAL HOUSING SITE, 1249 SCOTT STREET; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM, BE ADOPTED.

(r) Resolution No. 131-2009, Authorizing a Letter Agreement with the City of San Francisco Department of Public Works for Phase I Infrastructure Task Force Services for the Hunters View Housing Development at Middle Point and West Point Roads, for an aggregate amount not to exceed \$430,000; Bayview Hunters Point Redevelopment Project Area.

Presenter: Erin Carson, Agency Staff

Speakers: None

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 131-2009, AUTHORIZING A LETTER AGREEMENT WITH THE CITY OF SAN FRANCISCO DEPARTMENT OF PUBLIC WORKS FOR PHASE I INFRASTRUCTURE TASK FORCE SERVICES FOR THE HUNTERS VIEW HOUSING DEVELOPMENT AT MIDDLE POINT AND WEST POINT ROADS, FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$430,000; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

REPORT OF THE PRESIDENT:

- President Swig reported that there has been a lot of discussion in the newspapers
 and a request from certain parties regarding the relocation of the high speed rail
 allowing it to come to downtown San Francisco. Mr. Swig stated that it was very
 important that the Agency Commission take a position on this and requested that
 Mr. Blackwell put the issue of the high-speed rail and its ultimate location,
 downtown San Francisco, on the agenda with the result of a resolution on the
 subject.
- Acknowledged Commissioner King receiving the Silver Spur award recognizing Mr. King as a great leader in the community. Mr. Swig congratulated Mr. King on the wonderful achievement in recognition of a tremendous career

- 7. REPORT OF THE EXECUTIVE DIRECTOR: None
- 9. COMMISSIONERS' QUESTIONS AND MATTERS: None
- 10. CLOSED SESSION: None.
- 11. ADJOURNMENT:

It was moved by Commissioner Singh, seconded by Commissioner King, and unanimously carried that the meeting be adjourned at 7:55p.m.

Respectfully submitted,

Gina F. Solis
Agency Secretar

ADOPTED:

DECEMBER 15, 2009

MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 17 DAY NOVEMBER OF 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 17 day of November 2009, at the place and date duly established for holding of such a meeting.

President Swig called the meeting to order at 4:00 p.m.

Mr. Swig welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Swig asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Swig stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Rick Swig, President
Darshan Singh, Vice President
London Breed
Miguel M. Bustos
Francee Covington
Leroy King (arrived at 4:20 p.m.)

GOVERNMENT
DOCUMENTS DEPT

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Fred Blackwell, Executive Director, and staff members were also present. SAN FRANCISCO PUBLIC LIBRARY

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA:

Commission Covington requested Item 4(b) be removed from the Consent Agenda for discussion.

(a) Approval of Minutes: Regular Meeting of October 20, 2009

<u>ADOPTION</u>: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER BREED, AND UNANIMOUSLY CARRIED, THAT THE REGULAR MEETING OF OCTOBER 20, 2009, BE ADOPTED.

REGULAR AGENDA

(b) Authorizing a First Amendment to the Personal Services Contract with On Target Delivery Service, a sole proprietorship, to extend the term of the contract by one year from December 1, 2009 through November 30, 2010, increase the scope of services to include all local pick-ups and deliveries, increase the fee schedule and clarify the terms of the services provided. (Resolution No. 132-2009)

Presenter: Amy Dawson, Agency Staff

Speakers: None

Commissioner Covington asked if the \$17.61 fee increase for commission packet delivery was per packet.

Ms. Dawson indicated the fee increase was for the entire delivery, not individual deliveries.

Commissioner Covington put forth a motion to move item 4(b).

Commissioner Singh seconded Ms. Covington's motion.

President Swig requested staff review alternative options for delivery of Commission Packets that can be transferred electronically into a lighter, more efficient vehicle, and should be cost effective.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 132-2009, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH ON TARGET DELIVERY SERVICE, A SOLE PROPRIETORSHIP, TO EXTEND THE TERM OF THE CONTRACT BY ONE YEAR FROM DECEMBER 1, 2009 THROUGH NOVEMBER 30, 2010, INCREASE THE SCOPE OF SERVICES TO INCLUDE ALL LOCAL PICK-UPS AND DELIVERIES, INCREASE THE FEE SCHEDULE AND CLARIFY THE TERMS OF THE SERVICES PROVIDED, BE ADOPTED.

REGULAR AGENDA

Agenda Items 4(c) - 4(e) will be presented together, but acted on separately

- (c) Authorizing an Amended and Restated Tax Increment Loan Agreement with Turk & Eddy Associates, L.P., a California Limited Partnership, to increase the loan amount by \$1,706,059, for a total aggregate amount not to exceed \$8,770,890, in conjunction with the rehabilitation of 80 very low income rental units, plus two managers' units, located at 249 Eddy Street and 161-165 Turk Street; Affordable Housing Preservation Program, Citywide Tax Increment Housing Program. (Resolution No. 133-2009)
- (d) Authorizing a Ground Lease with Turk & Eddy Associates, L.P., a California Limited Partnership, for a term of 55 years with a 44 year option to extend, with annual lease payments of \$340,000, in conjunction with approximately 80 very low income rental units, plus two managers' units, located at 249 Eddy Street and 161-165 Turk Street; Affordable Housing Preservation Program, Citywide Tax Increment Housing Program. (Resolution No. 134-2009)
- (e) Authorizing adoption of a Relocation Plan in conjunction with the rehabilitation of approximately 80 very low income rental units, plus two managers' units, located at 249 Eddy Street, and 161-165 Turk Street, as part of the Agency's Affordable Housing Preservation Program; Citywide Tax Increment Housing Program. (Resolution No. 135-2009)

Presenter: Michele Davis, Agency Staff, Don Falk, TNDC Director

Speakers: None

Commissioner Covington asked for clarification in reference to Section 3.2, Site control, where it indicates that TNDC owns the land and building; the Agency will execute a 99 year ground lease for the land as part of the financing transaction. She asked if TNDC owns the land.

Ms. Davis stated when TNDC entered into the purchase agreement the Agency provided the funds for TNDC to acquire the property with the understanding that TNDC would be receiving financing from other sources. Given the constraints of the due diligence period, the Agency provided the funds for TNDC to acquire the property with the proviso that TNDC give the land back to the Agency as part of meeting their repayment obligation which would be \$3.7M of their repayment obligation of the \$7M given to TNDC to acquire the property.

Commissioner Covington put forth a motion to move items 4(c) - (e).

Commissioner Singh seconded Ms. Covington's motion.

President Swig stated that the due diligence was seemingly flawed and expressed that he was disappointment that neither staff nor the project sponsor did not see the red flag when the building owner prevented the buyer from doing property diligence, and for not taking the extra step in aggressively pursuing the due diligence necessary to see that the building had a great amount of flaws instead of accepting the plans that had a building stamp a decade old as being accurate. Mr. Swig addressed staff and potential developers to make sure due diligence is completed when doing these types of projects.

President Swig asked what are the benefits and justification of a 99 year lease on an old building.

Ms. Davis indicated should the developer default or the property is acquired by someone else, the subsequent owner would still be obligated to comply with the Agency's affordability restrictions which are in the 99 year affordable ground lease. It gives the Agency the benefit of an asset then what the Section 8 subsidy affords which requires renewal every 10-20 years.

President Swig asked if there would be a restriction on the land and the title if a replacement building would have to be special housing.

Ms. Davis stated a replacement building would still have to comply with the agency requirements and would have to continue as low income housing.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, COMMISSIONER BREED OBSTANING, THAT RESOLUTION NO. 133-2009, AUTHORIZING AN AMENDED AND RESTATED TAX INCREMENT LOAN AGREEMENT WITH TURK & EDDY ASSOCIATES, L.P., A CALIFORNIA LIMITED PARTNERSHIP, TO INCREASE THE LOAN AMOUNT BY \$1,706,059, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$8,770,890, IN CONJUNCTION WITH THE REHABILITATION OF 80 VERY LOW INCOME RENTAL UNITS, PLUS TWO MANAGERS' UNITS, LOCATED AT 249 EDDY STREET 161-165 STREET: **AFFORDABLE** AND TURK HOUSING PRESERVATION PROGRAM. CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED SINGH, AND UNANIMOUSLY CARRIED, BY COMMISSIONER COMMISSIONER BREED OBSTANING, THAT RESOLUTION NO. 134-2009, AUTHORIZING A GROUND LEASE WITH TURK & EDDY ASSOCIATES, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR A TERM OF 55 YEARS WITH A 44 YEAR OPTION TO EXTEND, WITH ANNUAL LEASE PAYMENTS OF \$340,000, IN CONJUNCTION WITH APPROXIMATELY 80 VERY LOW INCOME RENTAL UNITS, PLUS TWO MANAGERS' UNITS, LOCATED AT 249 EDDY STREET AND 161-165 TURK STREET: AFFORDABLE HOUSING PRESERVATION PROGRAM, CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED. WITH COMMISSIONER BREED OBSTANING, THAT RESOLUTION NO. 135-2009, AUTHORIZING ADOPTION OF A RELOCATION PLAN IN CONJUNCTION WITH THE REHABILITATION OF APPROXIMATELY 80 VERY LOW INCOME RENTAL UNITS, PLUS TWO MANAGERS' UNITS, LOCATED AT 249 EDDY STREET, AND 161-165 TURK STREET, AS PART OF THE AGENCY'S AFFORDABLE HOUSING PRESERVATION PROGRAM; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

(f) Approving a policy regarding the Agency's use of future tax increment from the original Yerba Buena Center Redevelopment Project Area to fulfill its replacement housing obligations; Yerba Buena Center Redevelopment Project Area. (Resolution No. 136-2009)

Presenter: Jim Morales, Agency General Counsel

Speakers: None

Commissioner Covington asked if there was a map of what comprises South of Market.

Mr. Morales stated when Supervisor Daly originally made the suggestion, staff proposed language for the ordinance that would have defined it as the South of Market Stabilization Fund which is a developer exaction that are to be used for South of Market Community benefits and improvements. The area is from the Embarcadero to Van Ness, from Market to Mission Bay. When the precise definition was proposed Supervisor Daly's office requested it be taken out and to keep the broader not defined term, "South of Market Area". Mr. Morales stated that would give it some flexibility and hopefully be able to work with the Board of Supervisors and not have any problem when the budget is considered so that they would be in compliance with projects in the South of Market Area. Mr. Morales stated there is no map and definition.

Commissioner Covington asked if there were any other city wide definitions for the South of Market outside of the South of Market Stabilization Fund description.

Mr. Morales indicated that he has not completed research on this but for the purposes for selling property, the real estate brokers and the like define San Francisco neighborhoods; the Planning Department and Planning Code define the South of Market for its zoning.

Commissioner Covington asked how long this would be implemented on an annual basis.

Mr. Morales stated the Agency is the beneficiary of special legislation that allows it to continue to draw down tax increment after a plan is expired for the sole purpose of building the 6,700 units. Until those units are built, it would be sometime before the tax increment extensions terminate, and as long as they are in effect, the policy would be in effect.

Commissioner Covington asked if there was a projection on how much money will be garnered from tax increment over the next two to five years.

Mr. Morales stated he was just asked the same question before the Commission meeting by Supervisor Daly and did not have the opportunity to discuss the matter with the housing division; he will forward the information to the Commission once he has the opportunity to do some research and meet with housing.

Commissioner Covington put forth a motion to move item 4(f).

Commissioner Singh seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 136-2009, APPROVING A POLICY REGARDING THE AGENCY'S USE OF FUTURE TAX INCREMENT FROM THE ORIGINAL YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA TO FULFILL ITS REPLACEMENT HOUSING OBLIGATIONS; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- 5. MATTERS NOT APPEARING ON AGENDA: None
- 6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS. None
- 7. REPORT OF THE PRESIDENT: None
- 8. REPORT OF THE EXECUTIVE DIRECTOR:
 - Urban Land Institute had their conference in San Francisco; Amy Neches, Agency Staff gave a tour of the Mission Bay Project Area to the Mayor of Washington D.C., Adrian Fenty.

9. <u>COMMISSIONERS' QUESTIONS AND MATTERS:</u>

- Commissioner Covington congratulated everyone on the opening of 4800 Third Street. Encouraged everyone of home ownership at 4800 Third St. with pricing beginning below \$160,000. Requested a review of the Certificate of Preference Program and the possibility of increasing the AMI for Certificate of Preference Holders from 100% to 120% to give them an opportunity into the new housing developments. Requested a resolution for Commissioner Cheu at the next meeting.
- President Swig congratulated MoAD, the Board of Director's and Staff for a well attended MoAD Anniversary celebration the previous Friday and encouraged all to visit the Museum which he described as one of San Francisco's gems.
- 10. CLOSED SESSION: None.

11. ADJOURNMENT:

It was moved by Commissioner Covington, seconded by Commissioner Singh, and unanimously carried that the meeting be adjourned at 4:53 p.m.

Respectfully submitted,

Gina E. Solis Agency Secretary

ADOPTED:

JULY 20, 2010



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 1st DAY DECEMBER OF 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place. Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 1st day of December 2009, at the place and date duly established for holding of such a meeting.

President Swig called the meeting to order at 4:00 p.m.

Mr. Swig welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Swig asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Swig stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Rick Swig, President Darshan Singh, Vice President London Breed Miguel M. Bustos Francee Covington Leroy King

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Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.
- 4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA:

- (a) Authorizing a Permit to Enter Agreement with Brian Goggin, an individual, related to the maintenance of an existing art installation, 200-214 Sixth Street, South of Market Redevelopment Project Area. (Resolution No. 137-2009)
- (b) Authorizing a First Amendment to a Ground Lease with 275 10th Street LLC, a California limited liability company for 1350 Folsom Street, 275 10th Street, And 72 Dore Street in conjunction with the development of 134 very low income rental units; Citywide Tax Increment Housing Program. (Resolution No. 138-2009)
- (c) Approving the Fiscal Year 2009-2010 budget in a total amount not to exceed \$217,229 for the second year of a three-year personal services contract with the San Francisco Community Clinic Consortium to provide fiscal and administrative services for the South of Market Project Area Committee, for a total aggregate amount not to exceed \$341,163; South of Market Redevelopment Project Area. (Resolution No. 139-2009)

IT WAS MOVED BY COMMISSIONER ADOPTION: SECONDED BY COMMISSIONER KING. AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 137-2009, AUTHORIZING A PERMIT TO ENTER AGREEMENT WITH BRIAN GOGGIN, AN INDIVIDUAL, RELATED TO THE MAINTENANCE OF AN EXISTING INSTALLATION, 200-214 SIXTH STREET, SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, RESOLUTION NO. 138-2009, AUTHORIZING A FIRST AMENDMENT TO A GROUND LEASE WITH 275 10TH STREET LLC, A CALIFORNIA LIMITED LIABILITY COMPANY FOR 1350 FOLSOM STREET, 275 10TH STREET, AND 72 DORE STREET IN CONJUNCTION WITH THE DEVELOPMENT OF 134 VERY LOW INCOME RENTAL UNITS; CITYWIDE TAX INCREMENT HOUSING AND RESOLUTION NO. 139-2009 APPROVING THE FISCAL YEAR 2009-2010 BUDGET IN A TOTAL AMOUNT NOT TO EXCEED \$217,229 FOR THE SECOND YEAR OF A THREE-YEAR PERSONAL SERVICES CONTRACT WITH THE SAN FRANCISCO COMMUNITY CLINIC CONSORTIUM TO PROVIDE FISCAL AND ADMINISTRATIVE SERVICES FOR THE SOUTH OF MARKET PROJECT AREA COMMITTEE, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$341,163; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REGULAR AGENDA

(d) Commending and expressing appreciation to Linda A. Cheu for her dedicated service upon the occasion of her departure from the Redevelopment Agency of the City and County of San Francisco. (Resolution No. 140-2009).

Presenter: Director Fred Blackwell

Director Blackwell read the following resolution:

"COMMENDING AND EXPRESSING APPRECIATION TO LINDA A. CHEU FOR HER DEDICATED SERVICE UPON HER DEPARTURE FROM THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO

Linda A. Cheu served as a Commissioner of the Redevelopment Agency of the City and County of San Francisco ("Agency") from March 15, 2007 to October 20, 2009. She was appointed to the Agency Commission by Mayor Gavin Newsom, and served with distinction, excellence, and commitment to the Agency's mission of promoting community, economic and physical development in blighted neighborhoods, and preserving and developing affordable housing for all of San Francisco.

Ms. Cheu is currently a Principle with the Economics Research Associates, which is the largest land use economics and real estate consulting firm in the United States. In this capacity, Ms. Cheu has gained valuable knowledge in public sector economic planning, including affordable housing, redevelopment, transit oriented development, economic impact, and economic development strategies.

Ms. Cheu's other career experience includes, Harvard University Sinclair Kennedy Traveling Fellowship with the Chinese University of Hong Kong; Intern, Chinese Community Housing Corporation and Chinatown Resource Center; Outreach Coordinator, Hass Center for Public Services; and Policy Consultant, American Red Cross, National Headquarters, Washington, D.C.

Ms. Cheu received the Peter Lewis award for highly distinguished performance on her final project, Revitalizing San Francisco's Broadway Corridor; "Strategies for Three Freeway Sites" from Harvard University, Kennedy School of Government.

Ms. Cheu serves as President of the California Dragon Boat Association (CDBA), an annual festival held each year at Treasure Island, which has grown to be the largest competitive dragon boat festival in the United States and attracts over 100 teams from around the United States, internationally, and from corporations and non-profit and civic organizations in San Francisco, which proceeds benefits Self-Help for the Elderly and the CDBA Youth Program.

Prior to appointment to the Agency Commission, Ms. Cheu served as the Housing Subcommittee Chair, San Francisco's Citizen's Advisory Committee on Community Development; Board Member, Chinese Historical Society of America; and Former Vice President, Chinese Culture Foundation.

Ms. Cheu has been an advocate for affordable housing developments that serve the housing needs of individuals, families, and seniors in the various

redevelopment project areas. With Ms. Cheu's support, the Agency financed and developed thousands of units of affordable housing, including housing for the chronically homeless, seniors, low income families, persons living with HIV/AIDS, and others with special needs, and adopted a policy committing 50% of tax increment funds to affordable housing and the adoption of legislation that expands the Agency's ability to finance affordable housing.

Ms. Cheu served as President of the Public Initiatives Development Corporation (PIDC), a nonprofit affiliate of the Agency that developed the Plaza Apartments, an award-winning mixed-use building in the South of Market Redevelopment Project Area, providing supportive housing for people who have experienced chronic homelessness.

Ms. Cheu also remains a staunch proponent of business and economic development for San Francisco's minority and woman-owned business enterprises. Ms. Cheu supported the development of the Fillmore Heritage mixed-use development, new cultural institutions including the Museum of the African Diaspora, the Jazz Heritage Center, the Contemporary Jewish Museum, Bindlestiff, the Filipino Cultural Center, and significant community and economic revitalization of the Sixth Street corridor.

Ms. Cheu is an individual of great intellect, commitment, and principle, who has dedicated her career to public service and the public good and inspired her fellow Commissioners through her passion, perseverance, and integrity.

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency of the City and County of San Francisco, on behalf of the Agency's past and present Commissioners, Executive Directors, and employees, recognizes Linda A. Cheu's significant public service that she has provided to the City and Agency and hereby expresses its sincerest appreciation and best wishes to her in all of her future endeavors."

Director Blackwell stated Commissioner Cheu was also presented with a certificate of honor by Mayor Newsom on Dec. 1, 2009 which read as follows:

"Whereas, on behalf of the city and county of san Francisco, I am please to recognize and honor Linda Cheu for her dedicated service as Commissioner of the San Francisco Redevelopment Agency in the City and County of San Francisco. Since March of 2007, she has served with distinction, excellence, and commitment to the Agency's mission of promoting community, economic and physical development, and preserving and developing affordable housing for all of San Francisco. Your stewardship and commitment to economic justice and equal opportunity is truly commendable. Thank you for your service to the City, and best wishes on all of your future endeavors. Mayor Gavin Newsom."

Speakers: None

Commissioner Singh expressed his appreciation for Ms. Cheu's service on the Commission and put forth a motion to move item 4(e).

Commissioner King expressed his appreciation in Ms. Cheu's leadership and wished her and her family the best in her future endeavors. Mr. King seconded Mr. Singh's motion.

Commissioner Covington stated it has been a pleasure working with Ms. Cheu who was very concise, detail oriented and knowledgeable about the issues that have come before the Commission. Ms. Covington indicated that she will be sorely missed as a colleague on the Commission, and as a friend. She also thanked Ms. Cheu's husband and father in supporting Ms. Cheu's efforts while serving on the Commission.

Commissioner Breed stated it was an honor serving with Ms. Cheu on the Commission and enjoyed their discussions on her perspective on different matters. Ms. Breed expressed her appreciation of Ms. Cheu's service on the Commission which made a tremendous impact on the Commission. Ms. Breed wished Ms. Cheu the best in her future endeavors.

President Swig stated it was a great lose for the Commission that Ms. Cheu was leaving; all Commissioners agree. Mr. Swig stated, in having read the recitation by Director Blackwell which mentioned the phrase "great intellect", and looking at the resume Ms. Cheu brought to the Commission, he expressed how daunting her resume is and the intellect that goes along with it. He stated that Ms. Cheu was always dedicated to the Agency's mission and the principles that Ms. Cheu brought into conversations and comments with regard to the items and issues the Commission faced set a great example for all Commissioners. He stated Ms. Cheu's passion, perseverance, and integrity that is in her soul was much appreciated. Mr. Swig thanked Ms. Cheu for her contributions she brought to the Commission as a whole and to each Commissioner individually. Mr. Swig wished Ms. Cheu the best.

Ms. Cheu thanked all Commissioners for their comments, and indicated that she learned tremendously from each one. From Commissioner Covington she learned to think about park benches, parking garages, details on landscape architecture, things she would have never thought of before; from Commissioner Breed she learned about design of affordable housing to make it more accessible. Ms. Cheu stated each Commissioner has challenged her to think about matters in different ways which she benefited from. She stated it has been an adventure in some ways that she had expected, an intellectual adventure debating some of the policies on affordable housing and community development. Ms. Cheu stated in her line of work she works for public agencies around the country and what strikes her when she attends the Commission meetings is the quality of the Commission leadership, as well as staff, and feels very fortunate there is exceptional staff at the Agency which is feels is very unique. Ms. Cheu thanked her husband Andrew Yan who provided the necessary daycare and support at times; otherwise she would not have been able

to attend some Commission meetings. Ms. Cheu stated it has been a pleasure working with everyone and will miss the Commission.

ADOPTION: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER KING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 140-2009, COMMENDING AND EXPRESSING APPRECIATION TO LINDA A. CHEU FOR HER DEDICATED SERVICE UPON THE OCCASION OF HER DEPARTURE FROM THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, BE ADOPTED.

(e) Authorizing a Personal Services Contract with PBS&J, a Florida corporation, in an amount not to exceed \$300,200, for a term of one year from November 18, 2009 to November 17, 2010, to complete an Environmental Impact Report for the redevelopment program for Bayview Hunters Point Area C; Bayview Hunters Point Redevelopment Survey Area. (Resolution No. 141-2009)

Presenter: Stanley Muraoka

Speaker: None

Commissioner Covington asked for the percentage of people that have been hired from the area.

Mr. Muraoka stated for the larger EIR effort, with the size of the contract, they are required to hire four trainees which are defined as a part-time employee for a six month period. PBS&J hired one person for 24 hours a week so they could receive PBS&J benefits and are retained on a permanent basis with no time duration to their employment. Mr. Muraoka stated under the proposed Area C contract, PBS&J are required to retain two trainees currently from the Candlestick Shipyard contract.

Commissioner Covington asked what the nature of the training was.

Mr. Michael Rice with PBS&J stated the training provided word processing, documents organization, proofing services, and general administrative support services.

Commissioner Covington asked for more information on the four trainees who will be working part-time.

Mr. Rice stated the four trainees were part of the obligation for the Candlestick Point/Hunters Point Shipyard draft EIR contract which is essentially complete. Over the time of the contract four trainees were hired, and dependent upon the individuals skills and background, they were trained in word processing, support services, and analytic and research activities.

Commissioner Covington put forth a motion to move item 4(e).

Commissioner Singh seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 141-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH PBS&J, A FLORIDA CORPORATION, IN AN AMOUNT NOT TO EXCEED \$300,200, FOR A TERM OF ONE YEAR FROM NOVEMBER 18, 2009 TO NOVEMBER 17, 2010, TO COMPLETE AN ENVIRONMENTAL IMPACT REPORT FOR THE REDEVELOPMENT PROGRAM FOR BAYVIEW HUNTERS POINT AREA C; BAYVIEW HUNTERS POINT REDEVELOPMENT SURVEY AREA, BE ADOPTED.

Items 4(f) and (g) were presented together, but acted on separately

Director Blackwell recommended item 4(f) be continued.

(f) Authorizing a Letter Agreement with the Mayor's Office of Economic and Workforce Development for the administration of the SF Shines Façade Improvement Program for a six-month term with one six-month extension in an amount not to exceed \$492.977; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 142-2009)

Presenter: Angela Heyward, Agency Staff

Speakers: Jeff Eichenfield, Ace Washington, Randall Evans, Daniel Landry, Monetta White

Commissioner Breed asked for a point of clarification if staff is requesting the continuance of only item (f).

Director Blackwell confirmed.

Commissioner Breed recommended both items (f) and (g) be continued otherwise she would not be able to support item (g) based on what is written and what is in the budget as she believes they do not coincide with one another. Out of the \$400,000, there is \$100,000 for the Mayor's Office of Workforce and Economic Development and she does not understand what the intent is and why 25% of the entire amount is going to the Mayor's Office of Workforce and Economic Development. Ms. Breed stated the money is specifically listed for façade, tenant improvement and design services, and then a contingency. Ms. Breed indicated she cannot support the 25% administrative fee to the Mayor's Office of Workforce and Economic Development. Ms. Breed requested items (f) and (g) be continued to the meeting of January 19th.

Ms. Lisa Pagan, Mayor's Office of Workforce and Economic Development stated the façade improvement program as proposed, was inherited from the Mayor's Office of Community Initiative and the Neighborhood Market Place initiative, a comprehensive corridor revitalization program they run. She stated the corridor exists as it does now based on the investment made to date by the Agency and feels there is additional work to be completed. She indicated the marketing, business support, business attraction, additional streetscape planning, investments in micro-enterprise development should continue. Ms. Pagan stated with the planning process they would create a retail plan with a three year priority which would involve the entire community. In addition, they will need to hire a full time staff person to run the façade improvement program and oversee the marketing and economic development grants and direct contracts for those services.

Commissioner Breed asked if the full time staff person is already in place, and if the program is in the Bayview District.

Ms. Pagan indicated they have not yet hired the staff person. They have a program which they fund a quarter Manager through the BBRC collaborative in the Bayview.

Commissioner Breed asked where the funds would be coming from.

Ms. Pagan stated the \$400,000 is dedicated towards the façade/tenant improvement work; \$400,000 is dedicated towards the general corridor, economic development and marketing.

Commissioner Breed stated if the item is not continued in order to provide more detailed information and clear in the resolution they are expected to pass, she cannot support the items.

Commissioner Covington supported Ms. Breed's motion to continue items 4(f) and (g) until January 19 for reasons enumerated by Ms. Breed. In addition to Ms. Breed's comments, Ms. Covington would like the items together so they show a contrast and comparison between the two. She stated if the program will be the same in two different project areas she would like to make sure all bases are covered in both. Ms. Covington stated the money is for the Western Addition and the Agency has staff that has been involved in all of the decisions made by the Agency concerning the Western Addition, and feels to hire someone new in another office and bring that person up to speed with what is going on, she does not understand what the parameters are. Ms. Covington asked what the legal parameters for continuing support to a closed project area are because the money is going there, but not Agency staff.

Agency General Counsel Morales stated the general principle with regard to unspent money from a former project area is that it continue to be used for redevelopment purposes, it would have to be consistent with the Community Redevelopment Law restrictions on the use of tax increment. If it is tax

increment monies, the money should primarily be spent for physical improvements or spent at another active project area if there are no redevelopment purposes left in the former project area itself.

Commissioner Covington asked if the monies are ongoing monies that are being contributed from the Western Addition.

Director Blackwell stated this was part of the resolution brought to the Commission for adoption to redirect monies from the Muni Substation to the restaurants and marketing of the corridor. The money for marketing was part of the overall set of activities proposed to the Commission at the time the resolution was proposed to redirect the money from the Muni Substation.

Commissioner Covington asked if the marketing group was part of the successor firm to Ave Montague Associates.

Mr. Maduli-Williams, Agency Staff, indicated the marketing part of the work has been completed by Traina Public Relations who were the successors to Ave Montague Associates. Traina Public Relations provided branding, signage and engaged the community in the tagline. He indicated that it then made sense to engage the Mayor's Office of Economic and Workforce Development to move forward primarily due to the Neighborhood Markets initiative which was synergetic for what they wanted to accomplish in Fillmore moving forward. Mr. Maduli-Williams indicated the Mayor's Office is stretched in terms of staffing and the Agency does not have the expertise in community level/retail marketing.

Commissioner Covington stated the Mayor's Office will have to have someone to do it.

Director Blackwell stated the New Markets Initiative, SFShines programs are programs already being run from the Mayor's Office of Community Development, Community Investment, and Economic and Workforce Development. The strategy is to get the corridor work that is currently going on in the Fillmore and was funded in the past by the Agency, integrated into everything else that is going on in the City so the Fillmore Corridor is treated like the rest of the corridors in terms of marketing, business attraction, façade improvement, etc. Mr. Blackwell assured the Commission that there are monies left behind after the Agency leaves the project area for economic development purposes.

Commissioner Covington asked who would be responsible for oversight.

Director Blackwell stated the Agency will continue to be responsible for oversight of tax increment dollars; audits occur every year to make sure the dollars spent through tax increment financing are being spent in conformance with the California Redevelopment Law.

Commissioner Covington stated again that she seconded the motion to continue the Items 4(e) & (f) and would like more background information on the contractors, the job description of who will be hired for the position to ensure it is someone familiar with the Western Addition and San Francisco.

Vice President Singh asked if there would be any consequences should the items be continued.

Director Blackwell stated there would be no consequences; his only concern with the monies left in the Western Addition is the farther they get away from the expiration of the project area, there may be consequence in terms of being able to spend the money on the project area.

Vice President Singh stated he supports Ms. Breed and Ms. Covington's motion to continue the two items.

President Swig stated the staff report omitted pertinent information in terms of where the funds came from, who will be hired, full time or outside contractor, resume qualifications, and what it will be spent on specifically, not generally. Mr. Swig stated the Western Addition continues to deserve respect and attention to detail, most importantly with regard to items that will impact the Western Addition. He indicated the items are well intended and well founded, but contains many unanswered questions. Mr. Swig stated he respects the position of his fellow Commissioners and acknowledged the motion that items 4(f) and (g) be continued until January 19, 2010.

MOTION: IT WAS MOVED BY COMMISSIONER BREED, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED THAT ITEM 4(f), RESOLUTION NO. 142-2009, AUTHORIZING A LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT FOR THE ADMINISTRATION OF THE SF SHINES FAÇADE IMPROVEMENT PROGRAM FOR A SIX-MONTH TERM WITH ONE SIX-MONTH EXTENSION IN AN AMOUNT NOT TO EXCEED \$492,977; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE CONTINUED TO JANUARY 19, 2010.

(g) Authorizing a First Amendment to the Amended and Restated Letter Agreement with the Mayor's Office of Economic and Workforce Development for the administration of the SF Shines Façade Improvement Program and additional marketing and economic development services in the Western Addition neighborhood for a three-year term in an amount not to exceed \$800,000. (Resolution No. 143-2009)

MOTION: IT WAS MOVED BY COMMISSIONER BREED, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED THAT ITEM 4(g), RESOLUTION NO. 143-2009, AUTHORIZING A FIRST AMENDMENT TO THE AMENDED AND RESTATED LETTER

AGREEMENT WITH THE MAYOR'S OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT FOR THE ADMINISTRATION OF THE SF SHINES FAÇADE IMPROVEMENT PROGRAM AND ADDITIONAL MARKETING AND ECONOMIC DEVELOPMENT SERVICES IN THE WESTERN ADDITION NEIGHBORHOOD FOR A THREE-YEAR TERM IN AN AMOUNT NOT TO EXCEED \$800,000, BE CONTINUED TO JANUARY 19, 2010.

(h) Adopting a resolution urging the California High-Speed Rail Authority to accept the Transbay Transit Center as the San Francisco station for the highspeed rail system and to reject alternative locations as infeasible and inconsistent with state and local law; Transbay Redevelopment Project Area. (Resolution No. 144-2009)

Presenter: Mike Grisso, Agency Staff

Speakers: Jim Haas

Commissioner Covington put forth a motion to move item 4(h). Ms. Covington stated having the Transbay Transit Center as the location for the High-Speed Rail terminal is the only way to go. She expressed that she hopes the Gensler/Beale Street alternative is just a red herring and not a viable alternative.

Vice President Singh seconded Ms. Covington's motion.

President Swig stated this to be a red herring and expressed that he disrespects the individual who put this forward because it shows disrespect for the entire system; Agency staff goes through a process involving the community, develops a plan after community feedback, hearing the item before the Commission, is vetted and a decision is made. Mr. Swig stated he joins his fellow Commissioners in supporting the resolution.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 144-2009 ADOPTING A RESOLUTION URGING THE CALIFORNIA HIGH-SPEED RAIL AUTHORITY TO ACCEPT THE TRANSBAY TRANSIT CENTER AS THE SAN FRANCISCO STATION FOR THE HIGH-SPEED RAIL SYSTEM AND TO REJECT ALTERNATIVE LOCATIONS AS INFEASIBLE AND INCONSISTENT WITH STATE AND LOCAL LAW; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(i) Authorizing First Amendments to the Acquisition Loan Agreement and Predevelopment Loan Agreement with Third and LeConte Associates, LP, a California limited partnership, to substitute Mercy Housing Calwest, a California nonprofit, public benefit corporation, for Third and LeConte Housing, LLC, as the managing general partner and substitute South of Market Mercy Housing, A California nonprofit, public benefit corporation, for Citizens Housing as the limited partner of Third and LeConte Associates, LP, in conjunction with the development of 73 units of low-income rental housing at 6600 Third Street; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 145-2009)

Presenter: Kate Hartley

Speakers: Doris Vincent

Vice President Singh put forth a motion to move item 4(i).

Commissioner Covington seconded Mr. Singh's motion.

ADOPTION: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 145-2009, AUTHORIZING FIRST AMENDMENTS TO THE ACOUISITION LOAN AGREEMENT AND PREDEVELOPMENT LOAN AGREEMENT WITH THIRD AND LECONTE ASSOCIATES, LP. A CALIFORNIA LIMITED PARTNERSHIP, TO SUBSTITUTE MERCY HOUSING CALWEST. A CALIFORNIA NONPROFIT, PUBLIC BENEFIT CORPORATION, FOR THIRD AND LECONTE HOUSING, LLC, AS THE MANAGING GENERAL PARTNER AND SUBSTITUTE SOUTH OF MARKET MERCY HOUSING, A CALIFORNIA NONPROFIT, PUBLIC BENEFIT CORPORATION, FOR CITIZENS HOUSING AS THE LIMITED PARTNER OF THIRD AND LECONTE ASSOCIATES, LP, IN CONJUNCTION WITH THE DEVELOPMENT OF 73 UNITS OF LOW-INCOME RENTAL HOUSING AT 6600 THIRD STREET: BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(j) Authorizing a Personal Services Contract with MJM Management Group, a California Corporation, for property management of the Mission Bay open space system for an initial term of three years, with one three year option to extend the contract, for a total aggregate management fee amount not to exceed \$617,362; Mission Bay North and South Redevelopment Project Areas. (Resolution No. 146-2009)

Presenter: Catherine Reilly, Agency Staff

Speakers: Corrine Woods

Commissioner Singh stated that it was mentioned the contract was advertised in six newspapers and there was only one completed application. Mr. Singh asked for clarification about the definition of a completed application.

Ms. Reilly indicated two applications were received and part of the RFQ was they had to have complete teams which was to provide all the services; management, janitorial, security, and landscaping. The other application they

received was from a security firm which was found to be non-compliant; they did not have the rest of the team, did not attend the pre-bids, came in late to the process even though staff tried to help them, and gave them MJM's contact as well as sign-in list for the pre-bid but they were not able to find anyone to team with.

Vice President Singh asked how many contracts MJM has with the Agency.

Ms. McCue indicated they have contracts with Yerba Buena and Sixth Street, with the hopes of the Mission Bay contract before them.

Commissioner Covington put forth the motion to move item 4(j). Ms. Covington stated Yerba Buena Center is one of the jewels and the crown of the City and County of San Francisco and appreciates the management of the Gardens by MJM.

Commissioner Breed stated MJM has done a great job not only in the Yerba Buena Center but throughout San Francisco and expressed her appreciation of Ms. McCue and her firm for their involvement throughout the communities. Ms. Breed seconded Ms. Covington's motion.

President Swig echoed Ms. Covington's and Breed's comments for the extraordinary work MJM does. Mr. Swig called the attention to his fellow Commissioners that they are approving the contract for a three year period with a three year renewal which is unusually long but stated he cannot think of another firm and trust the faith of the Commission to MJM.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 146-2009. AUTHORIZING A PERSONAL SERVICES CONTRACT WITH MJM MANAGEMENT GROUP, A CALIFORNIA CORPORATION, FOR PROPERTY MANAGEMENT OF THE MISSION BAY OPEN SPACE SYSTEM FOR AN INITIAL TERM OF THREE YEARS, WITH ONE THREE YEAR OPTION TO EXTEND THE CONTRACT, FOR A TOTAL AGGREGATE MANAGEMENT FEE AMOUNT NOT TO EXCEED \$617,362; MISSION BAY NORTH AND SOUTH REDEVELOPMENT PROJECT AREAS, BE ADOPTED.

5. MATTERS NOT APPEARING ON AGENDA: None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS. None

7. REPORT OF THE PRESIDENT:

 Reminded the Commissioners that they will have a long meeting at the next scheduled Commission meeting and will need a quorum.

8. REPORT OF THE EXECUTIVE DIRECTOR:

- Director Blackwell indicated that Miguel Busto was nominated by Mayor Newsom as the next member of the Redevelopment Commission and will be before the full board December 8th.
- Three items heard before the Board of Supervisors (1) authorization to amend the budget to pay the state the \$28.7M the Agency owes; (2) extend for one year the Yerba Buena Project Area life, an opportunity made available through the legislation at the State level once Agencies allocate their payment; (3) authorization from the Board of Supervisors to issue bonds in order to make the ERAF payment). The Finance Committee continued financing the payment to the State to the following month; they wanted to be very careful about making any general fund obligations at this time since there is a \$45M/\$50M budget deficit of the general fund with the City looking at a \$500M+ budget deficit. Should they not receive authorization to issue bonds in order to make the payment, staff will be back before the Commission with proposed changes to the budget that will reflect projects that staff will forego or postpone in order to meet the Agency's obligation to the state. Mr. Blackwell stated the penalty for non-payment would mean the Agency would not be able to operate as a Redevelopment Agency.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

10. CLOSED SESSION: None.

11. ADJOURNMENT:

Commissioner Covington stated she, Commissioner King, and Commissioner Breed attended the memorial service for James Delmor Jefferson who was very dear and close to many people in the City and County of San Francisco and requested today's meeting be adjourned in his memory. Mr. Jefferson passed away suddenly on November 16th, 2009. A public memorial will be scheduled sometime in January at City Hall. Ms. Covington read the following from Mr. Jefferson's obituary from the service held Saturday, November 22nd:

"James Delmor Jefferson was born on March 2, 1944, in Mansfield, Louisiana. He was the son of Sam and Allie Bea Jefferson. He attended elementary and secondary schools in the Vernon Parish of Leesville, Louisiana. He graduated valedictorian from Vernon High School, received a Bachelor of Science degree in mathematics from Southern University in Baton Rouge, Louisiana; and pursued graduate studies at the University of San Francisco and San Francisco State University. In San Francisco, he joined many business and civic organizations, and utilized his innate entrepreneurial drive to form numerous business ventures. James began his career

at the University of California at Berkeley and later formed the Jefferson Company in 1971. In a996, he transitioned the Jefferson Company into Primus Industries Incorporated, a construction management services corporation with a diverse clientele of private and public entities, including the city and County of San Francisco. The success of Primus Industries culminated in its acquisition by the Parsons Corporation in 2004, and James' appointment to Senior Vice President and Global Development Manager with Parsons Water and Infrastructure Incorporated, for his continued leadership and expertise. In 2007, he founded the global development company, Aptus LLC. While serving as managing principal of his various corporations, James was a close and trusted advisor to four San Francisco Mayors over a 20-year period, and was also appointed as a representative of the U.S. District Court, most notably on the momentous efforts to end racial and sexual discrimination in the San Francisco Fire Department, and the correction of past practices. His civic involvement in San Francisco includes tenures as Vice President of the Public Transportation Commission (1993-1994); Member of the Public Utilities Commission (1991-1993); President of the San Francisco Fire Commission (1988-1991); and Founder of the Black Chamber of Commerce (19890-1990), James worked tirelessly for the betterment of his community, particularly in the areas of creating and sustaining opportunities for minority-and women-owned businesses, and minority youth. James was the recipient of countless awards and was a lifetime member of Alpha Phi Alpha Fraternity Incorporated, as well as Sigma Pi Phi Fraternity – the Boule. James leaves a lasting legacy of promoting tolerance, justice and human rights. He was a man of action, and mentored many. He was a man of soaring intelligence and vision. He was courageous and stayed true to his convictions and the ideals he lived by and believed in. When it came to the pursuit of his dreams, not just for himself but for others, there was nothing that could hold James Jefferson back."

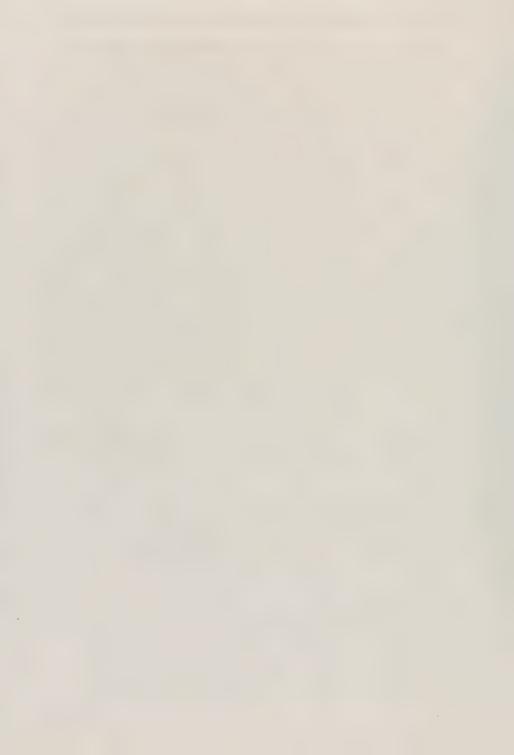
It was moved by Commissioner Covington to adjourn today's meeting in memory of Jim Jefferson, seconded by Commissioner Breed, and unanimously carried that the meeting be adjourned in Jim Jefferson's memory. at 6:20 p.m.

Respectfully submitted,

Agency Secretary

ADOPTED:

JULY 20, 2010



MINUTES OF A REGULAR MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE 15th DAY OF DECEMBER 2009

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 4:00 p.m. on the 15th day of December 2009, at the place and date duly established for holding of such a meeting.

President Swig called the meeting to order at 4:00 p.m.

Mr. Swig welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Swig asked members of the public who wished to address the Commission to fill out speakers cars, and to state their names for the record.

Mr. Swig requested that due to the numerous speakers present to speak on Item 4f, that remarks be limited to two minutes. Mr. Swig reminded the public this was only a hearing on this item, that there would be no final resolution at this meeting. On December 17th, the Planning Commission would be holding a hearing on the item and would take on a discussion of the Draft EIR, as well. He also stated should anyone have comments that were not heard on this item, that you may write a letter to the Agency with your comments regarding the Draft EIR. Mr. Swig expressed his empathy to the public in regard to the reduced time limit, but felt there would be future opportunities for public comment prior to resolution of the item. He thanked them for their cooperation.

Mr. Swig stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item6 on the Agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and member of the public should simply state their business or matter t hey wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-notice meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Rick Swig, Acting President Miguel Bustos London Breed Francee Covington Leroy King Darshan Singh GOVERNMENT DOCUMENTS DEPT

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- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS. None.



4. MATTERS OF NEW BUSINESS:

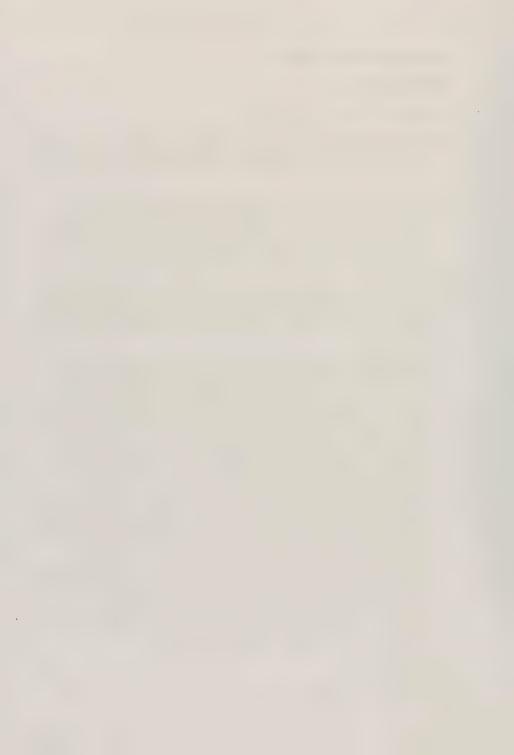
CONSENT AGENDA

- (a) Approval of Minutes: November 3, 2009
- (b) Authorizing a First Amendment to a Ground Lease with 650 Eddy, L.P., a California limited partnership, for 650 Eddy Street in conjunction with the development of 83 very low-income rental units; Citywide Tax Increment Housing Program. (Resolution No. 147-2009)
- (c) Authorizing the application for the 2010 Regional Transportation Improvement Program Grant Funds, and the acceptance and expenditure of an amount not to exceed \$1,109,000 for the Arelious Walker Drive Stairway Improvement Project located at the intersection of Arelious Walker Drive and Innes Avenue; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 148-2009)
- (d) Approving an Amended and Restated Indenture of Trust, a Remarketing Statement, and Related Documents for Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements); Hunters Point Shipyard Redevelopment Project Area. (Resolution No. 149-2009)

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT THE MINUTES FROM THE REGULAR NOVEMBER 3 2009 MEETING: RESOLUTION NO. 147-2009, AUTHORIZING A FIRST AMENDMENT TO A GROUND LEASE WITH 650 EDDY, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR 650 EDDY STREET IN CONJUNCTION WITH THE DEVELOPMENT OF 83 VERY LOW-INCOME RENTAL UNITS; CITYWIDE TAX INCREMENT HOUSING PROGRAM; RESOLUTION 148-2009, AUTHORIZING THE APPLICATION FOR THE 2010 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM GRANT FUNDS. AND THE ACCEPTANCE AND EXPENDITURE OF AN AMOUNT NOT TO EXCEED \$1,109,000 FOR THE ARELIOUS WALKER DRIVE STAIRWAY IMPROVEMENT PROJECT LOCATED AT THE INTERSECTION OF ARELIOUS WALKER DRIVE AND INNES AVENUE: BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; AND RESOLUTION 149-2009, APPROVING AN AMENDED AND RESTATED INDENTURE OF TRUST, A REMARKETING STATEMENT, AND RELATED DOCUMENTS FOR REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 7 (HUNTERS POINT SHIPYARD PHASE ONE IMPROVEMENTS): HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REGULAR AGENDA

(e) Election of Officers 2010.



Commissioner Swig announced that the office of president for the Redevelopment Commission was vacant and asked for nominations from his fellow commissioners.

There was a nomination by Commissioner King that Mr. Swig be president.

Commissioner Singh seconded the nomination.

Commissioner Swig asked if there were any other nominations. Hearing none, Mr. Swig closed the nominations. Mr. Swig then asked Madame Secretary to call the vote.

It was unanimously voted that Commissioner Swig be the 2010 president of the Redevelopment Commission

Commissioner Swig thanked his fellow commissioners for this great honor and challenge. He then moved forward with the nomination for election of Vice President

There was a nomination by Commissioner King that Mr. Singh be Vice President.

Commissioner Covington seconded the motion.

Commissioner Swig asked if there were any other nominations for Vice President. Mr. Swig asked if there were any comments from the public regarding nomination of Vice President. Hearing none, public comment was closed.

It was unanimously voted that Commissioner Singh be the 2010 Vice President of the Redevelopment Commission.

(f) Public Hearing on the Adequacy of the Draft Environmental Impact Report for the Candlestick Point – Hunters Point Shipyard Phase II Development Plan Project; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas.

Presenters: Stan Muraoka, Tiffany Bohee

Speakers: Jim Lazerus, Conny Ford, Treatha Stroughters, Sedrick Jackson, Matt Reagan, Christina Sandoval, Lashawanda Collins, Stormy Henry, Derek Green, Kenya Ellison, Ronae Kent, Sululagi Palega., Rev. Arelious Walker, Dr. Veronica Hunnicutt, Christopher Wagner, Gary Banks, Al Norman, Tera Gray, Wing Lee, Victoria Vandercourt, Dr. Ahimsa Porter Sumchai, Mannie Flores, Derek Toliver, Lonell Howard, Cardell Coleman, Tim Colen, Chris Jackson, Michael Theriault, Tim Paulson, Rev. Alexander, Lloyd A. Giller, Nyese Joshua, Alex Toeaina, Pastor Dan Solberg, Francisco Da Costa, Jaron Brown, Christian Pradia, Mica Allen, Dennis Kelley, Ronald Lewis, Rhonda Winter, Karissa Cou, Falla Satale, Mrs. Satale, Juana Tello, Diane Wesley-Smith, Sister Stephanie Hughes, Doug Parrish, Ms. Jocelyn, Angelo King, Gabriel Metcalf, Daniel Landry, Christine Johnson, Dedria Smith, Randall Evans, Ace Washington, Richard McRee, Cecille Caterson, Leon Muhammad, Eric Brooks, Saul Bloom, Tara Hui,



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PRESIDENT SWIG: Is there anybody else in the audience who would wish to comment at this time to the Commission on this subject?

(No response from the audience.)

PRESIDENT SWIG: Okay. Hearing no further requests to speak on this item, I will close public comment now and turn to my fellow commissioners, beginning with Commissioner King.

COMMISSIONER KING: Well, I think, boy, we have been on this Lennar thing now for maybe months. How many years or months? I think we have gone over this thing, the EIR. We have gone over every aspect of this thing. I don't think we can continue to get delayed today. This delay seems like it wants to defeat the project altogether, you know, to give another 45-day. We have got so many delays. So I would like to make a motion that we give a 15-day delay, and let them have that. I think they can handle it in 15 days and then move forward. Otherwise we -- you know, Lennar, everybody else, will be out of business and everything else, if we have delays. It's a tactic of trying to defeat of project altogether. And that has been a question of these delays, so I think maybe we could give a 15-day delay.

PRESIDENT SWIG: Thank you, Commissioner King. Any other Commissioners wish to comment at this time? Commissioner Singh?

COMMISSIONER SINGH: Yes. I think it's a reasonable time, 15 days, so I second that.

PRESIDENT SWIG: Any other Commissioners? Commissioner Breed?

COMMISSIONER BREED: I just wanted an explanation on the relationship between Alice Griffith and the EIR, and how these two relate to one another.

MS. TIFFANY BOHEE: Through the Chair, Tiffany Bohee with the Mayor's Office. The project proposes a maximum of 10,500 units. Of those 10,500 units, it is proposed that 256 units, that is all of the units at Alice Griffith would be rebuilt as part of the integrated project, so the EIR analyzes the environmental effects with that proposal.

COMMISSIONER BREED: And what about the additional -- I mean, I want you to --Well, really, I understand the details around the project and the mixed use and everything else. Can you give an overview explanation of how this relates to the future of Alice Griffith?

MS. TIFFANY BOHEE: Yes, thank you Commissioner. The environmental document and the project itself talks about the rebuild of Alice Griffith as part of the broader development project. That is consistent with a conceptional framework, which the City and Agency endorsed PAC and CAC, Proposition G. Those two elements are tied together as part of this project. Lennar has committed, through its endorsement of the financing plan, to providing additional subsidies for the Alice Griffith development, as



well as Agency housing. There is a gap that exists considering all of the sources that are available. Any delays to this project, that is delays moving through the process. The action before you is simply a Public Hearing.

COMMISSIONER BREED: I understand that.

MS. TIFFANY BOHEE: No action, no City decision will happen until the spring, should we complete this process that we are undergoing now.

COMMISSIONER BREED: The point I wanted you to clarify is what a delay -- the impact of a delay to Alice Griffith specifically.

MS. TIFFANY BOHEE: A delay from this project will further -

COMMISSIONER BREED: A delay by extending the EIR -

MS. TIFFANY BOHEE: Yes.

COMMISSIONER BREED: -- by anywhere from 15 to 18 45 days?

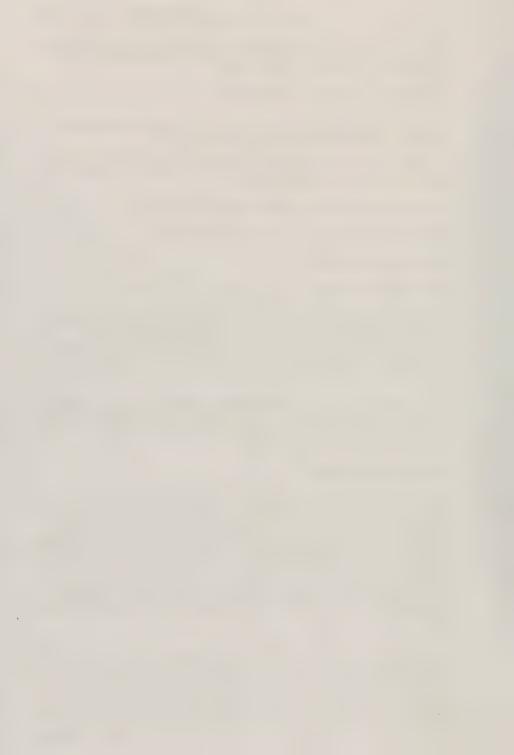
MS. TIFFANY BOHEE: A 45-day delay will jeopardize our ability to get any City decision on this project by mid-June. It is a delay to the overall project, and specifically a delay to the conditions that -- to ameliorate and to fix the conditions at Alice Griffith. You cannot move forward with any particular project approvals. This is the first step.

COMMISSIONER BREED: I do understand that, so what I'm saying is, if there is a delay, then if we waited to approve this EIR, I understand that what that means is any other projects that we want to move forward on with regards to this, will not -- we will not be able to proceed until we pass an EIR.

MS. BOHEE: That is correct.

COMMISSIONER BREED: I understand that. But what I'm trying to understand clearly is what the impacts are? What is the time plan? What are you trying -- when are the nuts and bolts going to happen of the project? When are we going to get to Alice Griffith? When is this going to stop? Where are the jobs? Where is the training taking place? Is this stuff simultaneous to what is happening right now with this EIR? I'm trying to just understand the time lines here. And I'm trying to understand what is happening separately to prepare residents for jobs? And what is happening separately to make sure that there is a transition and no one is displaced? What is happening as we speak that would create a problem if this were delayed, is what I'm trying to get at here.

MS. BOHEE: As a result of a specific delay on this project, the delays to Alice Griffith could be indefinite. We need to answer those questions. The first step is answering the issues that are presented in the Environmental Impact Document, depending on when that comment period closes. If that comment period closes in a year, that delays the project by at least a year or two. If the comment period closes in six months, that again delays the project. So the first step is answering the environmental issues that are



required by law, and then you can move forward with the project. And we can't move forward with any of the job training programs, any of the financial commitments in advance of any (inaudible) approvals that Lennar has made. Those subsidies and commitments that Lennar has made through endorsements and financing of the plan, through Prop G, through, private benefits, those cannot move forward. Everything stops until this process is complete.

PRESIDENT SWIG: I think the Director has a supplemental question, or answer.

DIRECTOR BLACKWELL: Well, so if I understand your question, Commissioner Breed, I think you are asking if the project overall would be delayed or forgone, what would be the impact on the rebuild of Alice Griffith. Is that kind of the question?

COMMISSIONER BREED: Yes.

DIRESTOR BLACKWELL: So let me try to answer that. If the -- a big part of the way that the Alice Griffith rebuild would be financed is through the constellation of agreements that are embedded in the agreements that are associated with this. Just to give you an example, kind of the amount of work and the challenges associated with the public housing rebuild in general, we are struggling to really put together all of the financing necessary to complete Hunters View, which is the first Hope SF site. And there would be an even larger struggle to get the financing together for Portrero Hill, for Sunnyvale, and the west side ports, which is are the other hope SF sites and Alice Griffith. If Alice Griffith were not included in the overall plan that is included -- in which you are in the EIR right now, it would be a substantial amount of time before Alice Griffith would be able to go forward. As it stands right now, Alice Griffith -

COMMISSIONER BREED: Which is why it would be delayed indefinitely?

DIRECTOR BLACKWELL: Right. Because the financing would be in jeopardy. And just the approval process would have to start all over from scratch. But the other thing I want to point out is that because of the importance of Alice in the overall framework here, Alice Griffith is a part of the first phase of development of this overall project. So what was laid out in terms of 10,000 units of housing, in terms of the hundreds of acres of open space, in terms of the 2.5 million square feet of commercial space, Alice Griffith is going to be among the first things to happen in all of that. And so approval of this actually fast tracks the development of Alice Griffith. And to not have it included, as I said, results in indefinite delay in terms of rebuilding.

COMMISSIONER BREED: Okay. Thank you. So I guess my concern is, are we ready to take on the responsibility of what this project entails as a whole, as it relates to the commitments that we are making to this community; that is what I would like to know, in terms of the job readiness and training. And also, I was under the impression that none of the residents would be completely displaced out of the area. They would be moved from one side to another, once the development was done, and they would stay within the context of the area. So I just want to know what is being done by the Agency, because if we are being asked to fast track this process, to follow the process and to not extend the deadline, and to move forward, so what are we ready for? Are we ready to follow through with the commitment that we are making in terms of the job, the training and placement of the residents? Are we ready to move forward with



making sure that they are ready to purchase homes; that we are setting up whatever is necessary to establish credit, to give them home buyer workshops and things of that nature? Are we ready for what we are in the process -- what we are about to undertake.

DIRECTOR BLACKWELL: Just a couple of answers to that. One is we have, in addition to the presentations that have been made on the EIR itself and other stuff, we have also been making presentations to the PAC and CAC about the various elements of the plan and the community benefits associated with it. One of those presentations. which was held about two months ago, focused specifically on workforce development. And there were actually two presentations that were made: One is kind of a picture of the overall workforce development system strategies that are in play citywide; and the second presentation focused specifically on the shipyard and the things that will be in place in order to make sure that the job opportunities that are being created will actually be realized. Are we ready today? No. We are working on the development of the infrastructure to do that, but later on, you will hear our recommendation with regard to the job readiness initiative, which is an integral part of being ready, making sure that we have community based organizations on the ground that are doing the outreach, that are doing the assessment, that are doing the intake and doing the training and referring to CityBuild. Embedded in the Community Benefits Agreement, some of the folks talked about it this evening, are investments in -- additional investments in workforce development, additional investments in housing, counseling and home buving assistance, and things of that sort. So we won't completely be ready until we are through the approval process and have all the resources in play to provide the kind of infrastructure that that you are talking about, but we are actively working towards being ready.

COMMISSIONER BREED: So we can't guarantee anyone, especially not the residents of the Bayview that they are guaranteed to have access to these housing opportunities, because we can't give them preferential treatment over anyone else?

DIRECTOR BLACKWELL: So, yes; according to the Fair Housing Law, you cannot discriminate in terms of housing based on any kind of protective class, including race, age, or gender. And the reading that we have –

COMMISSIONER BREED: What about residence?

DIRECTOR BLACKWELL: Right; this is what I need to explain. If you set geographic preferences for affordable housing, and the demographics of the neighborhood where you set that preference are not equal to that of the City or reflective of that of the City, the result of that is discrimination based on race. In other words, unless you have demographics in the neighborhood that allows you to set neighborhood preferences. And by implementing those neighborhood preferences, there is not an adverse racial or other kind of impact; you can't really set those neighborhood preferences.

COMMISSIONER BREED: I just have some concerns about the information that is being communicated from both sides. I think that there were a lot of inaccuracies and public comment from both sides; and that was really upsetting to me. And it made me want to delay more so, so that the public has a chance in order to really vet this EIR and give adequate comment; and the comment should be reflective of the EIR and not



misinformation. And so I'm just very concerned about this process, and I want to make sure. Ms. Bohee, could you just really -- I don't know if you have those numbers ready, but I know you said in your presentation, the number of meetings, the public meetings, and so on and so forth, that took place. There have been hundreds of meetings to discuss this matter to prepare the public for what is to come. There has been tons of outreach. There has been aggressive outreach, because we knew that this was coming down the line. And we also knew that we were not going to be able to satisfy each and every person that had an opinion about this matter. My biggest concern here is the fact that people who, many of them that came to speak today, I know personally; and I know they live there; I know that they have concerns; I know that they don't want to see delays; I know that they want to move this project forward; but I also have some serious concerns about the fact, as I said before, the fact that there is a lot of misinformation out there. And I think that it's important for me to receive, to allow the public time to review this document, so that I have public comment that helps me to make the best decision as a commissioner that I can make. And I don't feel like the public comments that I received today was public comment that would allow me to move forward comfortably with this process. And so, you know, I'm -- I'm definitely in support of meeting a delay halfway. And if we -- at least I know that Commissioner King had made the recommendation that we do 15 days. I know that the CAC and the PAC, so I know that the CAC and the PAC don't want it to extend this for 45 days. And I think that it's reasonable to meet them halfway on this, and I'm at least willing to go the extra mile to come to some sort of mutual agreement here, understanding that there has to be a middle ground here, and we have to be reasonable here. And we need to give the public adequate time to read this document and provide public comment, so that we can make the best decision in moving forward with this project. So that is what I would like to see happen, so that is what I would like to support. Thank you.

PRESIDENT SWIG: Commissioner Covington?

COMMISSIONER COVINGTON: Thank you, Mr. President. First of all, I want to thank everyone who came out this evening. We all live very, very hectic and stressful lives. And for you to carve out time out of your very busy schedules, and your family obligations to come and speak with us directly is greatly appreciated. There were 60 speakers on this item. And while some of the comments were not targeted or emphasized the Draft EIR, all of the comments were very passionate and thoughtful. And I certainly want to also express my appreciation of the demeanor and the manner in which people conducted themselves this evening, because often things can get out of hand when people are so passionate about things. So I want you to know that this was duly noted by this Commissioner, and continue in that vein. The extension of the 15 days, I think is very good, and I certainly support that. There have been hundreds of meetings, as people have said. I have attended some of these meetings as a member of the Public Housing task force, and as a member of the Workforce Development task force. People have been given ample opportunity to speak, to review documents, to speak with experts, and still people say they need more time. But the clock is ticking, you know. Time is a quantity like anything else. You can't go on, and on, and on, and on. You have to make a decision. You have to move forward or say, you know, this is not something that we can DO. So two weeks is appropriate. I think it's an appropriate extension. It is not 45 days, but if you know you have two additional weeks, then it is time to carve up the 4000-page document just as we did you know, in (inaudible) against the Vietnam War, you know, you take pages 1 through 108 and take this group



of people and talk about it, whatever. I mean, these are not new, new challenges, to our community. These are not new ways of digesting a huge amount of information. And it can be done. It may mean that your holiday break is not as restful as you had anticipated. But we all agree, this is very important. So if you front burner it, it will happen. You will be able to say, you know, page by page, these are the concerns that we have as an organization, we have as an ad hoc group, that I have as an individual. So I really encourage everyone, you know, to grapple with it. It is a huge document. But it was produced by human beings who are bright and capable, and now it will be read by human beings who are bright and capable; and those folks are you. I want to either ask Mr. Muraoka, Stan Muraoka to answer a couple of questions, or Ms. Bohee can handle them. I was a bit distressed by some of the things that we have talked about that people still don't seem to know about, particularly, eminent domain. Can somebody please tell us how eminent domain in Bayview-Hunters Point differs from the way that domain has been utilized in the past by this agency?

MR. STAN MURAOKA: Stan Muraoka of the SFRA staff. In response to your question, Commissioner Covington, the project, as it is put forth and evaluated in the EIR proposes no eminent domain. In that sense, the power of eminent domain, is already included in the existing Bayview-Hunters Point Plan, and in the Hunters Point Shipyard Plan. And specifically, in our redevelopment plan and in our most recent one here, the Bayview Plan, there is a restriction on the use of eminent domain for any residential property. And so whether –

COMMISSIONER COVINGTON: Could you say that again, please?

MR. MURAOKA: Yes. There is a restriction in our redevelopment plan on the use of eminent domain on any residential property; that cannot be done. And the other point about eminent domain is that under state law, there is a time limit when it can be used; so it can only be used within the first 12 years of a redevelop project. And then the final point on eminent domain is that the purpose for which it can be used under state law, that the redevelopment can proceed forward is to eliminate blight. And so if the property is not blighted, and it's not residential, then we can't use it for that purpose, either. To recap going back into the EIR, most of the property is under public ownership. The plan, as it has been formulated and presented in the document and to the public, the majority development occurs on essentially reusing property that has ever been within the ownership of the City and County of San Francisco or the U.S. Navy, in the Phase II Development Plan. There are some pieces of the project that may or may not involve private property, and that is disclosed the environmental document, as well.

COMMISSIONER COVINGTON: Thank you. I think that the whole point about eminent domain is very, very important; and sometimes people feel that we have learned nothing from the Western Addition. The new way that eminent domain will be utilized in the Bayview is in stark contrast to the way it was used when it was used in the Western Addition. And I think there are wonderful safe guards in place for people who own private residences. I also wanted to know about the fire station. Is there a plan for the fire station and where would that be?

MR. MURAOKA: As discussed in the environmental document, there is space reserved within the project site for a fire station. And it, you know, isn't specifically



identified as a site that is carved out, if you will, or set aside solely for a fire station. But within the project there are -- there is room for what we call the community facility parcel. This is different from the set aside in the Phase I DDA for the community parcel. This is -- and that was something that you have had discussions here from other agency staff related to the Phase I DDA and the QPE about the community parcels. This is a parcel of land within the project that can be used for future community facilities. And, an analogy to this would be what about we set up in the Mission Bay South Redevelopment Project, where in that project, we have identified that there possibility could be a site that would be used for community facilities. And that EIR, in that project, it could be either a police facility or a fire station, or some other type of community facility. And so, similar to that, what has been built into this project and included in the EIR is the potential to build a fire station, as the need arises, as this project is built out. So I would refer you to the Utilities -- or to actually the Public Services section, the environmental document, and there is a discussion about the future need for a new fire station and how that would be accommodated.

COMMISSIONER COVINGTON: Is there room for both -

MR. STAN MURAOKA: Yes.

COMMISSIONER COVINGTON: -- a fire station and police station?

MR. STAN MURAOKA: Yes. Yes. There is discussion on police services, (inaudible) new police facilities.

COMMISSIONER COVINGTON: Yes. Because with almost 11,000 new homes, people do need rapid response to their requests for help, whether it be police or fire.

MR. STAN MURAOKA: Yes.

COMMISSIONER COVINGTON: Okay. So I'm glad that you reviewed that for us. Peregrine falcon.

MR. STAN MURAOKA: Now there has been identified and documented that there is a pair of nesting Peregrine falcons; their habitat is the Regunning Crane, the large crane that is on Hunters Point Shipyard and it's on one of the piers. That is not slated for any development. And so, in fact, the Regunning Crane in the proposed plan would be retained. What has been evaluated in the biology section of the EIR is particular impacts of the proposed development; not only on the peregrine falcon, but on other sensitive species. And, you know, for the most part the impacts are either not there; or that there are mitigation measures that are notes in the environmental document. If this project were to move forward, the mitigation measures would be imposed the development in the form of a mitigation monitoring program, so that they become mandatory elements of the project as it proceeds. So back to the peregrine falcons, there are measures in place to not disturb their habitat, and to retain them to the extent that they so desire to continue to nest there.

COMMISSIONER COVINGTON: Thank you. How many -- I don't have the numbers directly in front of me -- but how many Certificate of Preference holders come from the Bayview area?



MR. STAN MURAOKA: I would have to refer to Agency housing staff, who work on the Agency's certificate program.

COMMISSIONER COVINGTON: Okay. Thank you. I see Deputy Director Olson Lee approaching the microphone.

DEPUTY DIRECTOR OLSON LEE: Olson Lee, Deputy Executive Director. There are approximately 2000 Certificate of Preference holders -- or original Certificate of Preference holders for the Bayview-Hunters Point.

COMMISSIONER COVINGTON: Okay, thank you. And so those certificate holders would be, if they qualified, they would be first in line for the affordable housing?

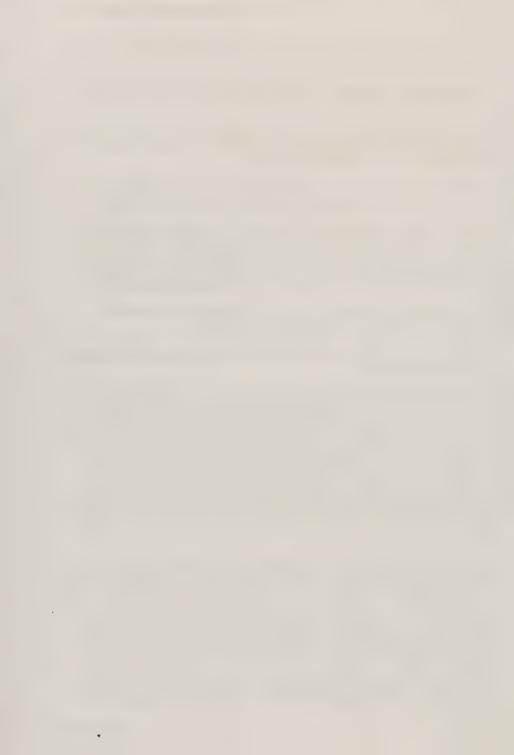
DEPUTY DIRECTOR OLSON LEE: Absolutely. The rules that the Commission adopted related to the Certificate of Preference program would be incorporated into the regional -- in the plan for this particular project. The only exception, perhaps the only exception, would be the replacement housing units which would be for the residents of Alice Griffith, and that is the whole purpose of providing those replacement units.

COMMISSIONER COVINGTON: Thank you, very much. And as I said at the beginning of my comments, I agree with the 15-day extension.

PRESIDENT SWIG: Thank you, Commissioner Covington. Commissioner Breed, do you have another comment?

COMMISSIONER BREED: Yes. Since it appears we are only going to be able to get a two-week extension, I would propose that we have another hearing or another meeting prior to the vote on this EIR in a time frame that is sufficient to allow members of the public to review the EIR, so -- the Draft EIR, so that prior to our decision, we get a better since of -- well, I personally as a Commissioner get a better sense of what people actually think of the EIR, and less of the delays and so on and so forth. So I would like us to hold another hearing or another meeting prior to the vote, within a sufficient time frame between now and the deadline, or the extended deadline. I think we had originally anticipated bringing this EIR before the Commission on the January 5th meeting, Mr. Blackwell, was that the case? Or with the extension, what will it be now?

DIRECTOR BLACKWELL: So the comment period was scheduled to close on December 28th. The two-week extension would have the comment period closing on January the 12th. Fifteen days would be the 12th; two weeks would be the 14th. If you wanted to have another hearing before the closing of the commentary, the only opportunity would be the January the 5th meeting, which is the next meeting. The next step, just to be clear, is that after the comment period closes, staff then works on -- Planning staff and Redevelopment Agency staff will be working on a Response to Comments document. So everything that happens in this hearing and the Planning Commission hearing, the written comments that come in, will all be processed, and there will be a Response to Comments document. And if there needs to be a changes to the Draft EIR before it becomes a final EIR, that is -- that is all that happens. The



approval before the final EIR -- Stan, remind me when that was. I think it was in April 8th --

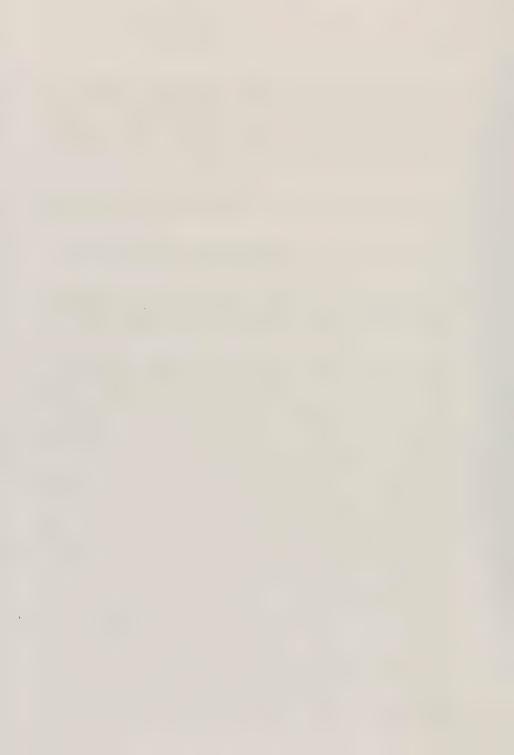
MR. STAN MURAOKA: Stan Muraoka again, of Agency staff. Director Blackwell, what we have projected out as a possible time line, based on the public hearing -- or the public comment period closing on the 28th was that we would publish the comments and Responses document on April 8th and bring it forward to the Commission at the next meeting in April, which I believe would be the week of April 20th. And at this point, I'm not sure -- I'm not clear on whether it would be a regular meeting at this Commission or a special meeting of the Commission.

COMMISSIONER BREED: So we won't approve this until April, with the -- along with public comments. Will each of the comments made here today be responded to in the EIR, as well?

DIRCTOR BLACKWELL: In the Response to Comments document is the one that captures everything that has been said in response to it.

COMMISSIONER BREED: Okay, right. I would -- I would still, I would want to have another meeting or to allow further via public hearing at our January 5th meeting. Hopefully, I can get the support of the Commission to do that, and that would be really helpful to me in making my decision to move forward with the EIR. Thank you.

PRESIDENT SWIG: Any other Commissioners wish to make a comment? Okay. I'll just wrap quickly. I would like to echo Commissioner Covington. I appreciate the commentary today. Certainly both sides are very passionate on the subject. And as we move forward on this for the next several years, if not decade, I'm sure the commentary will continue to be just as passionate. We have heard -- I agree with Commissioner Covington in that we have heard some fact, and we have heard some fiction, and we have heard some fact from both sides, and we have heard some fiction from both sides. Because I have read document, and I have scratched my head on some of the comments. And then I found some of them accurate. We heard that the area is grossly underserved, there is no doubt about that. The voters did approve, through Prop G, this, this development. And we owe it to the voters, to -- as we did two weeks ago in our commentary on the high speed rail issue. When the voters speak, we have to pay attention to that. And we just can't be arbitrary by going in another direction. I would think that it would be abhorrent to hold Alice Griffith -- or hold this process hostage because of Alice Griffith, or even bring up the subject. I don't know how many people in the audience have actually been through Alice Griffith, and walked through Alice Griffith, and who haven't. If you haven't -- if you haven't walked through it and you are making comments about it, go take a walk. And then it may make your commentary different, because there is an extreme sense of urgency about Alice Griffith, and I'm pleased to hear that this will be one of the first areas -- or the first area addressed. Now, there have been over 170 public meetings on this subject, and I'm sure there will be will be 170 more. At the same time, we have heard commentary on the fear that there are serious contaminant issues, that there are impacts on flora and fauna, and rising cean levels. I want to make it clear to everybody in the audience, you have been heard very, very clearly, and nobody on this commission has any ear plugs in their ears, and we listen indiscriminately. The EIR process is a 45-day -- sorry -- is a process in this term which is schedule in on December 28th. It is difficult for many projects to stay within



the period. And I would like to see it continue on 12-28. However, I also listen to people, and I believe in compromise. And I agree that what Mr. King has proposed is a fair compromise. And I have heard from my fellow commissioners, that they agree that that is a fair compromise. So I would like to support Mr. King and Mr. Singh with a 14-day extension. And I agree with Commissioner Covington, it will cause some people to work a little harder, and spend a few more nights reading in a shorter period of time. And we heard from Mr. Theriault earlier -- he has left the building, but he actually prescribed the best way to read his document; because if you take the Summary, and then you look at the areas that most concern you, the Summary document is a great way to navigate the entire EIR. It's very thorough and will provide that opportunity. So we have a motion, and we have a second, so I would like to put it to a vote. All those in favor please say, "Aye."

COMMISSIONER COVINGTON: Aye.

COMMISSIONER BREED: Aye.

COMMISSIONER SINGH: Aye.

COMMISSIONER KING: Aye.

PRESIDENT SWIG: Any opposition or extension?

(No response.)

PRESIDENT SWIG: Hearing none, the item is adopted unanimously. And the extension, the motion to extend for 14 days of the period from December 28th until -- or 15 days, sorry.

DIRECTOR BLACKWELL: I just wanted to clarify. I think that the motion that Commissioner King put on the floor was for 15 days –

PRESIDENT SWIG: 15 days. I apologize.

DIRECTOR BLACKWELL: -- which would be January 12th, Tuesday.

PRESIDENT SWIG: All right. So an extension to January 12th, is that acceptable to you? That is what was voted on, and we will go with that. And with regard to Commissioner Breed's commentary at having further meetings, I will work with the Commissioners and get a sense of their -- their issue with that, and we will put that on the January 5th Agenda, if appropriate.

MR. MORALES: Mr. President?

PRESIDENT SWIG: Yes, sir.

MR. MORALES: I believe, if you are going to hold a hearing on the EIR on January 5th, you have to continue this Public Hearing, because this has been noticed, especially under the CEQA statute; and I think you have to continue it to a date certain in order to preserve that notice, if that is your intent.



PRESIDENT SWIG: So we have actually -

COMMISSIONER SINGH: 15 days.

PRESIDENT SWIG: So the first item is a separate item, and we passed that item, so now we have a recommendation that we need to have a second item. I would like to recognize Commissioner Breed, please.

COMMISSIONER BREED: I would like to make a motion, to move that we continue the hearing to the January 5th meeting, 2010, of the Commission.

COMMISSIONER COVINGTON: Second.

PRESIDENT SWIG: Commission Covington seconds. Commissioner King?

COMMISSIONER KING: I don't know what this is doing. Continuing this on? I don't get it, the motion.

PRESIDENT SWIG: Can I see if I can get some clarification from counsel.

COMMISSIONER KING: We just passed it, and then she makes another motion.

MR. MORALES: Mr. President, you actually closed the Public Hearing in your comments. And that is the traditional or standard practice for a Public Hearing on a Draft Environmental Impact Report. And because this was especially noticed to this date and time, in order to hold another hearing, you have to continue it, or in effect reopen that hearing to another date. So that is why you need this special motion, if that is you what want to do. You can't just do it separately through agenda review. You have to do it by motion here.

PRESIDENT SWIG: Okay. Will reopening or continuing have any impact on the previous motion?

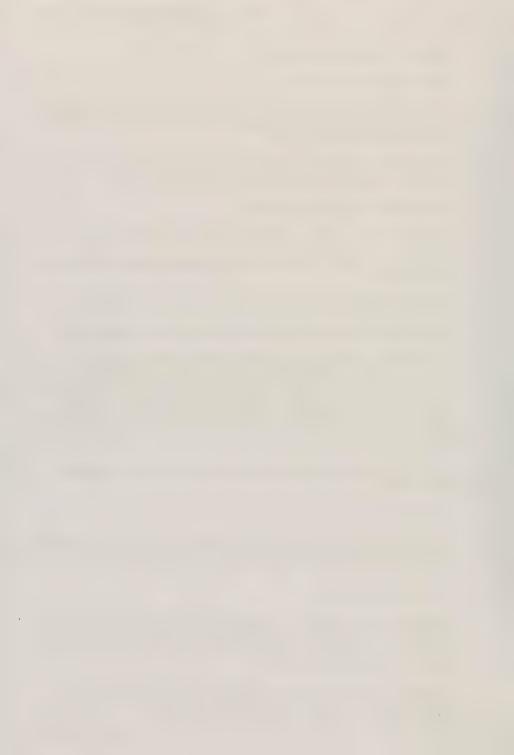
MR. MORALES: No.

PRESIDENT SWIG: All right. So we can have another -- we can continue the hearing without jeopardizing that date which we have just voted on for closing the overall comment period; correct:

MR. MORALES: Correct.

PRESIDENT SWIG: All right. So Commissioner King, I believe what Commissioner Breed would like to hear more commentary on the subject, but it will not impact your motion in any way, shape, or form; simply she wants to hear more commentary, and that would be the continuance. Correct?

MR. MORALES: Correct. In case the extension of time which you have already granted is essentially for written comments, and what you are now considering is the additional opportunity for oral comments at a Public Hearing.



PRESIDENT SWIG: So we have a motion on the floor. Do we have any further comment from my fellow commissioners?

COMMISSIONER SINGH: I don't understand. I want somebody to explain it again.

COMMISSIONER COVINGTON: Do you mind? Do you mind?

COMMISSIONER KING: It's over, everything we voted on?

COMMISSIONER COVINGTON: No. The motion to add an additional 15 days to the comment period passed unanimously; all of the Commissioners voted for that. Commissioner Breed was thinking that it would be a good idea to have another opportunity for people to come before us, you know, after they have had that two-week period to read the document as much as they can, to give us feedback. And so our counsel has said that, because this particular meeting was noticed as the time that we would be discussing the EIR, we need to legally continue the item, so that we will be in compliance with having people continue to talk about this.

COMMISSIONER KING: I'm opposed to that. That just opens up the whole thing again, that is what the motion does. We voted to make it 15 days, and now we are talking about giving her another meeting so she can vote on that. No, I'm opposed to that.

COMMISSIONER COVINGTON: No. The meeting that Commissioner Breed was proposing is the January 5th meeting. The end of the two-week period is not until January 12th, so it does not extend the time any more. It comes within the middle of that two-week period that you proposed.

COMMISSIONER SINGH: Is two weeks ending January 12th?

COMMISSIONER COVINGTON: Yes. And our meeting --

COMMISSIONER SINGH: Why is that?

COMMISSIONER COVINGTON: -- for additional comments is the 5th.

COMMISSIONER SINGH: Why not have it the end December through the 15?

COMMISSIONER BREED: Let me be clear. I'm asking for an opportunity to hear public comment on the EIR at the January 5th meeting. I'm -- that is all. I'm not asking for an extension. I'm asking to hear public -- additional public comment on January 5th, so that is what I'm asking.

COMMISSIONER KING: I'm opposed to that.

PRESIDENT SWIG: And my comment on that is that the proper hearing was even though we are on a continuance, my feeling is that is that the meeting was noticed, the document was out; clearly there was commentary that people had an opportunity to read the whole thing. And there is the opportunity for persons who have felt that they



have not read the whole thing, we give them a two-week extension to do so, and they can supply a written comment, which we can read at a later point; because we get another shot at the EIR, because this is only the draft, and we are soliciting comment now. So it's not entirely necessary to have it at an open hearing, but I acknowledge your point of view.

COMMISSIONER COVINGTON: May I say one more thing? The advantage to having an additional opportunity for people who address us orally is that a lot of people have intentions to write their comments down and to get back to us, but that doesn't happen. So even if you have the two minutes to speak to us in a public forum about peregrine falcon, or whatever is near and dear to your heart, I think that we would all be better served by hearing these comments. I don't see how we could loose. It's still within the two-week period; we are not -- we are not adding time on. And I -- I think that we are blessed to have such an involved citizenry, and I would like to hear what they have to say.

PRESIDENT SWIG: Commissioner Breed?

COMMISSIONER BREED: Thank you. What this does is add more time that we as commissioners would need to listen to the public. So as far as I'm concerned, I can't -- I don't feel comfortable making a decision about something so important without giving an additional opportunity for the public to address the Commission. This does not extend anything. It just requires that on January 5th, in addition to the rest of the things that we are going to be listening to or dealing with, in terms of our policy, we are just adding time to address this item one more time. And I don't think that there is anything wrong with that. I think that it's a welcome opportunity. And I think that with all of the issues 8 that we face with redevelopment, I mean, we are never going to be popular, ever, because of the decisions that we make regarding land use, regarding people's communities. I mean, we go into communities and we change lives every single day. And as far as I'm concerned as a commissioner, I want to be able to make sure that whatever decisions I make on this commission, that I have vetted the process appropriately before I go forward. I'm not choosing sides here. I'm choosing, as a commissioner, to make sure that I get the right information to make the best decision. So I don't think that it's going to hurt other than probably an extra hour or two, maybe three hours out of our time, to add an additional time frame to hear public comments. It's not going to create problem. It's not going to create a delay. It is going to require that staff act more diligently in making sure that they address those comments so that we can continue to meet our deadlines. It's not going to create a problem with our deadlines, and so I don't think that it's problematic. And I just think that it's something that, as a commissioner, I would like to see happen, because it would help me make the best decision I can for this process?

PRESIDENT SWIG: Any other commissioner comment?

COMMISSIONER KING: Well, I'm opposed to that. I think we have had -- tonight, we have had the question of giving the 15 days, and that is kind of opening it up again, and giving them another opportunity. I'm opposed to it. I think we made our final decision here, adding the 15 days, and that's what it should be. And opening it up again, I'm opposed. And I think that is what the motion does. And I'm opposed.



COMMISSIONER SINGH: I would like to ask the Agency Director, what do you think about this?

DIRECTOR BLACKWELL: Thank you. So a couple of thoughts. One is the -- one thing I wanted to say about this that I didn't get a chance to say earlier is that the approval process on this is very aggressive, and we are working under a very aggressive time line. And the approval process is one, unlike some of the other processes, that is sequential. In other words, you can't get to the redevelopment plan, or the transportation or infrastructure plan until you deal with the EIR. So there is a domino effect associated with the delays. I am a proponent of hearing what people have to say, in general, in this process. And so this is a motion that I don't think necessarily delays. I would be concerned if we were to entertain something that delayed or pushed beyond where we are today, at the January 12th time frame. Because I think, once we get beyond there, we are really jeopardizing the time frame for the project overall. I don't think that it will be harmful to the time frame to have another commission hearing on this. I do want to remind folks, however, that two days from now, there is a Planning Commission hearing on this. So this is not the first -- the only bite at the apple for an oral kind of response to the Draft EIR; and so I just wanted to make that point, as well.

COMMISSIONER KING: The report we get the tonight, will that go to the Planning Commission?

DIRECTOR BLACKWELL: Say that again?

COMMISSIONER KING: The decision we made tonight, the 15 days, will we notify Planning?

DIRECTOR BLACKWELL: Yes. We will notify Planning of that. We will notify Planning of that. They will still have their hearing, because it's been noticed on the 17th. Hopefully, what the Planning Commission would do is honor the decision that was made today and also grant extension, as well.

PRESIDENT SWIG: Any other commissioner comments?

COMMISSIONER SINGH: I have another question for Mr. Morales. We made a motion, a unanimous decision. So this is making another motion? Is it not nullifying the motion we made?

MR. MORALES: Commissioner Singh, I believe you are asking, is it necessary to make this motion, this one?

COMMISSIONER SINGH: Yes.

MR. MORALES: Well, as I tried to state before, this is necessary because it continues the Public Hearing portion of the comments on the Draft EIR. What you did before was continue the opportunity to write comments on the EIR to staff, so that then staff has to respond. So this -- and so if you just want extension of the time to provide written comments; you have already done that. What is before you now is the motion to have another Public Hearing like you had tonight.



PRESIDENT SWIG: With no resolution of anything, just a hearing.

MR. MORALES: It's just a hearing. It's just a hearing.

COMMISSIONER KING: All right. Let's put it on.

PRESIDENT SWIG: May I ask a question, Mr. Morales? The persons that we heard from tonight have been heard from; and therefore, as this is a continuation of the hearing, those 40 plus people who have spoken this evening, will they have the opportunity of speak themselves again?

MR. MORALES: Yes.

PRESIDENT SWIG: So it's a brand new hearing?

MR. MORALES: Well, I don't believe we can preclude anybody from testifying before the Commission on the matter. They will have another opportunity.

PRESIDENT SWIG: Okay. So we could hear the exact same people stand up here, again and give the exact responses

(Loud voice from the audience.)

PRESIDENT SWIG: Could I ask order in the chambers, please? Thank you.

MR. MORALES: The EIR hearing is supposed to be focused on the environmental analysis, as proposed. It does not usually include a discussion of the project itself and I would just note there was a lot of discussion tonight about the project.

COMMISSIONER BREED: -- about the project, yes.

MR. MORALES: But that is not what this hearing is for.

PRESIDENT SWIG: Okay. We have a motion on the floor; we have a second. Could I have a roll call vote, please?

THE SECRETARY: Commissioner King?

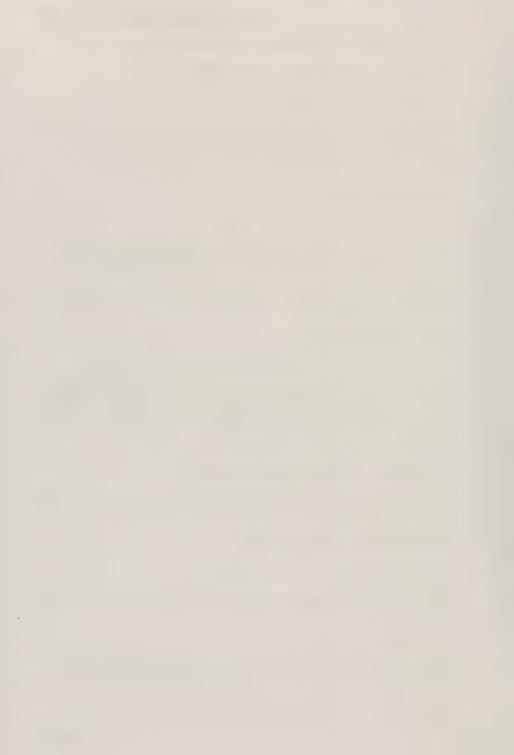
COMMISSIONER KING: What is the motion?

PRESIDENT SWIG: The motion is to have another hearing, to continue this hearing, on January 5th.

MR. MORALES: Correct.

COMMISSIONER KING: Let me ask the question, if I could. What our decision made here tonight, to give the 15 days, what effect did that have on that?

MR. MORALES: It does not affect it. This motion is separate from the previous motion.



COMMISSIONER KING: What effect does that have on that?

MR. MORALES: The effect would be that it gave the public additional 15 days to submit written comments on the Draft EIR; that is what you voted unanimously to do, to provide additional time to submit written comments.

PRESIDENT SWIG: And this motion has no impact on that motion?

MR. MORALES: Correct.

PRESIDENT SWIG: And your vote, sir? Commissioner Singh, your vote?

THE SECRETARY: Commissioner King?

PRESIDENT SWIG: Your vote, aye or no?

COMMISSIONER KING: Aye. I don't care. It's crazy.

THE SECRETARY: Commissioner Singh?

COMMISSIONER SINGH: Yes.

THE SECRETARY: Commissioner Bustos?

COMMISSIONER BUSTOS: Yes.

THE SECRETARY: Commissioner Swig?

PRESIDENT SWIG: Yes.

THE SECRETARY: Commissioner Breed?

COMMISSIONER BREED: Yes.

THE SECRETARY: Commissioner Covington?

COMMISSIONER COVINGTON: Yes.

THE SECRETARY: It's unanimous.

PRESIDENT SWIG: Could we have a five-minute break to give us a chance -- and we will reconvene.

(Whereupon, this concluded the discussion on the Hunters Point matter.)

RECESS

After a brief recess, Commissioner Swig called the meeting to order and requested the hearing proceed with the next item, Item 4(g).



(g) Resolution No. 150-2009, Authorizing a Personal Services Contract with Treadwell & Rollo, Inc., a California corporation, for the period covering December 20, 2009 through December 19, 2012 for a total aggregate amount not to exceed \$1,449,260, for technical environmental services in connection with (1) the enhanced dust monitoring program for the Phase 1 development at the Hunters Point Shipyard; and (2) the transfer of property at the Hunters Point Shipyard from the United States Department of the Navy to the Agency; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: None

Commissioner Covington requested that Mr. Kaslofsky provide a more detailed description of each parcel during the visual presentation.

Mr. Kaslofsky indicated potential uses for parcels and where Parcel D-2 will be transferring with Parcel G and B in the coming year. Parcel G is where the stadium site is, and Parcel B is to the north. Parcel UC-1 is a street where utilities can potentially go. UC-2 is of a similar nature. UC-1 and 2, IR-7 and 18, all three of those will be in 2011. UC-3 and D-1 will be in 2012.

Mr. Kaslofsky explained that numerous technical environmental documents are reviewed, written and finalized and this work will be done in conjunction with the ongoing CERCLA progress on these parcels, and parcels that will be transferred in the future. Staff will be bringing forward a budget amendment to the commission in the next 12 to 18 months to submit a budget for the final 18 months of this contract.

Commissioner Swig asked if there was anybody in the audience who wished to comment on this item. Hearing no request to speak on this item Mr. Swig closed public comment.

Commissioner Singh made a motion to move the item.

Commissioner King seconded the motion.

ADOPTION: IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 150-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH TREADWELL & ROLLO, INC., A CALIFORNIA CORPORATION, FOR THE PERIOD COVERING DECEMBER 20, 2009 THROUGH DECEMBER 19, 2012 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$1,449,260, FOR TECHNICAL ENVIRONMENTAL SERVICES IN CONNECTION WITH (1) THE ENHANCED DUST MONITORING PROGRAM FOR THE PHASE 1 DEVELOPMENT AT THE HUNTERS POINT SHIPYARD; AND (2) THE TRANSFER OF PROPERTY AT THE HUNTERS POINT SHIPYARD FROM THE UNITED STATES DEPARTMENT OF THE NAVY TO THE AGENCY;



HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (h) Resolution No. 151-2009, Authorizing a Personal Services Contract with San Francisco Conservation Corps, a California nonprofit corporation, for Workforce Services in Connection with the Agency's Job Readiness Initiative, for a term of 18 months, in an amount not to exceed \$292,050, subject to the Annual Appropriation of Funds; Bayview Hunters Point, Hunters Point Shipyard and Visitation Valley Redevelopment Project Areas.
- (i) Resolution No. 152-2009, Authorizing a Personal Services Contract with Girls 2000, a California nonprofit corporation, dba Hunters Point Family, for Workforce Services in Connection with the Agency's Job Readiness Initiative, for a term of 18 Months, in an amount not to exceed \$179,970, subject to the Annual Appropriation of Funds; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas.
- (j) Resolution No. 153-2009, Authorizing a Personal Services Contract with Young Community Developers, Inc., a California nonprofit corporation, for Workforce Services in connection with the Agency's Job Readiness Initiative, for a term of 18 Months, in an amount not to exceed \$300,000, subject to the Annual Appropriation of Funds; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas.
- (k) Resolution No. 154-2009, Authorizing a Personal Services Contract with Mission Hiring Hall, Inc., a California nonprofit corporation, for Workforce Services in connection with the Agency's Job Readiness Initiative, for a term of 18 Months, in an amount not to exceed \$900,000, subject to the Annual Appropriation of Funds; Mission Bay, South of Market, Transbay, and Yerba Buena Center Redevelopment Project Areas.
- (I) Resolution No. 155-2009, Authorizing a Personal Services Contract with Goodwill Industries of San Francisco, San Mateo & Marin Counties, a California nonprofit corporation, for Workforce Services in connection with the Agency's Job Readiness Initiative, for a term of 18 Months, in an amount not to exceed \$356,925, subject to the Annual Appropriation of Funds; Bayview Hunters Point, Hunters Point Shipyard and Visitacion Valley Redevelopment Project Areas.

Presenter: Christina Garcia, Agency Staff

Speakers: Larry Jones, Robert Brookshire, Patina Holmes, Samantha Sassi, Jamall Johnson, Jason Trimiew Eli Crawford, Melody Daniel, Valentina Blutoris, Terry Anders, Don Marcos, Miquell Penn, Horatio Towe, Laurie Bernstein, Tyrell Blaylock

Commissioner Breed expressed a few concerns, and stated she would do go over them quickly due to the lateness of the hour. She felt that over the past few years CBOs providing job readiness programs have failed to support the community. The only CBO that has proven results is Mission Hiring Hall. Commissioner Breed would like training and support provided to CBOs who support the



communities. She was concerned there was no language in the resolution in which to enforce the training and support. Commissioner Breed would like staff to make the language clearer in this regard.

Commissioner Breed was pleased that Tide Center was involved in the program, as she had prior knowledge of their reputation. She questioned if they would be overseeing the process. Commissioner Breed stated that there was no information about Tides Center in their packets, or about any of the organizations. Although she was familiar with the organizations, the other Commissioners may not be and it would be helpful for staff to provide background of each organization at a later date. Commissioner Breed noted that no one was the dedicated enforcer of the program and wanted to know who would be holding that position.

Christina Garcia stated the Agency would be the enforcer of the capacity building program, but the program would be run by the Tides Center. The Agency plans to convene with the RFP planning group, PAC and CAC members that were part of the review process to continue development of the capacity building program. As part of the JRI, there will be meetings to build networks, monitor activities of the CBOs, and then reports will be taken back to the PACs and CACs on a quarterly basis with clear information on the progress of the CBOs, along with what the Agency is doing to ensure full support of these organizations. Currently there is one staff person, Astrid Zometa, who is committed to the implementation of the job readiness initiative. Her responsibility is to closely monitor the organizations. She will be working with these organizations at every step. At the suggestion of Commissioner Breed, language will be incorporated into their scope of work and personal service contracts to require participation in those activities.

Commissioner Breed stated that Young Community Developers has a new Executive Director. She stated there had been several issues in the past, but now they would be moving forward in a positive direction with that organization.

Ms. Garcia expressed that the Agency was very excited about Mr. Toliver's appointment and was looking forward to working closely with him. Over the last six months, the Agency has been working with and tracking the activities of YCD. YCD has exceeded the majority of their goals. One of the challenges of job seekers is preparing for CityBuild and the Sector Academy. Currently, YCD does not have access to the barrier removal component of JRI. Once the barrier removal services and component of JRI are in place, the intent is to dramatically impact the CBOs ability to help job seekers address some fundamental barriers and challenges that they face to getting back to work.

Commissioner Breed expressed her appreciation of the barrier removal component. She felt this was one of the biggest obstacles for individuals who were seeking employment. She stressed the importance of the Agency monitoring and overseeing what is necessary to ensure the organizations are carrying out their missions, but also that the Agency would hold them accountable when they were not performing up to par. The Agency has set specific goals and guidelines which should be adhered to. In the event this does not happen, the Agency should withhold funding. She does not want to repeat past mistakes. She requested regular updates on the program, as well as a brief overview of each of the



organizations to the Commission. Commissioner Breed acknowledged her review of Goodwill's budget, emphasizing they are providing most of the monies, stipends and programs, including Rubicon and Turf. She asked if the funding was for only one year.

Ms. Garcia responded that funding was for eighteen months.

Commissioner Breed expressed concern if the position for the job coach case manager would be supported if after 18 months there weren't any additional funds available for this program to move forward.

Ms. GOODWILL responded by saying, "Goodwill's strategy is sustainability from the start."

Commissioner Breed inquired if _____ was the program manager and how much of her time would be invested in the program. Commissioner Breed stated that she was aware Ms. ____ had other responsibilities within the company.

Ms. GOODWILL answered that a quarter of her time would be committed to the program. The case manager and job coach were committed to the program 100% of the time. Subcontracts had also been negotiated with Turf, Florence Crittenden and Rubicon. They would provide recruitment, substance abuse and legal counseling.

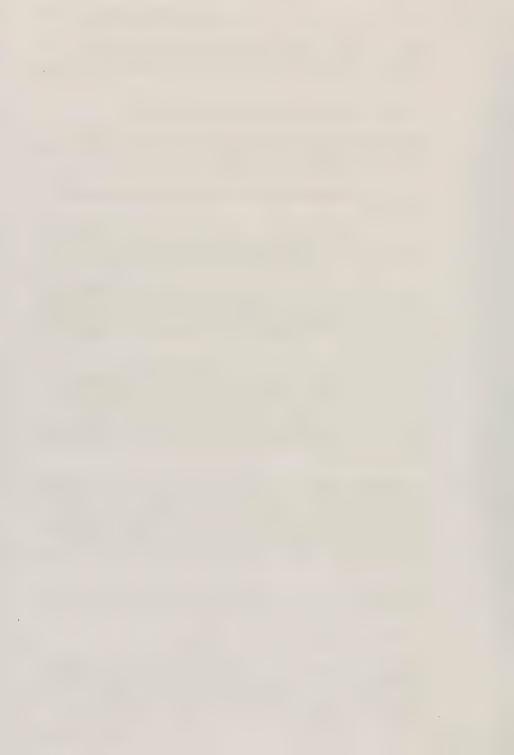
Commissioner Breed felt this was a great program and a model program. She stated that many program participants were coming directly from jail and faced barriers such as the amount of money they made and even over time it was still only minimum wage. Those receiving stipends, was actually lower than minimum wage. Commissioner Breed wanted to know if anything is in place to address those kinds of obstacles or to encourage people who work for Goodwill to seek other opportunities.

Ms. GOODWILL responded that there were the specific programs that were being presented as well as a new training program. The strategy is to employ people into the transitional work programs, with a very large percentage employed with Goodwill. Goodwill then encourages them to move up through the company and then go out to broader jobs in the community. Goodwill actually conducts training the entire time whether a person is a transitional employee or promoted to staff.

Commissioner Breed wanted to know if there were any residents from Bayview Hunters Point who were employed with the organization.

Ms. GOODWILL responded yes, there were many.

Commissioner Breed again expressed her thanks. She reiterated the importance of the Agency to be more aggressive to ensure these organizations are adhering to their commitment with training and readiness, but also for the employees that are housed to serve the public. She then made a motion to move the item and a motion to move all five items.



Commissioner Swig thanked Commissioner Breed for her comments and turned the floor over to Commissioner Covington for her response.

Commissioner Covington thanked the President. She expressed her excitement about the upcoming opportunities that would be presenting themselves with the Shipyard, Bayview Hunters Point and Visitacion Valley. One of her goals is to ensure people are ready for jobs when they materialize. Commissioner Covington expressed some concern about the program manager position. She was not clear on some issues, but after further review will come back to staff with further questions.

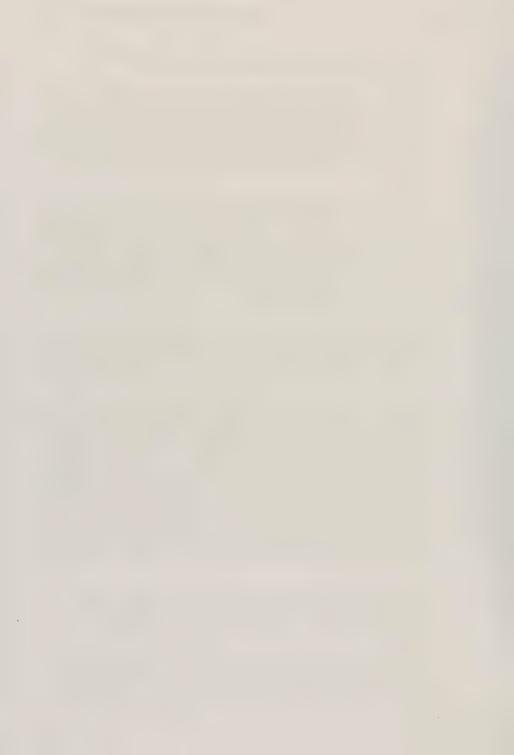
Ms. Garcia stated that there were no adjustments of the costs as they were proposed by the organizations. Staff goal for the first 18 months is to understand how the monies are correlated to the quality of the service that is provided. One thing staff will be evaluating is services, qualifications of the staff, and staff will be gathering information in order to fold in additional requirements so that the Agency will be more specific about the type of services that should be delivered, the way that those services can be delivered most effectively, and have a clearer sense of the cost associated with each.

Commissioner Covington inquired if the Commission had been given a breakdown of all proposals that were received and how they matched in terms of the points that each received. She also wanted to know if staff had been available to respondents to answer their questions about how to fill out the proposals.

Ms. Garcia responded that staff had definitely been available for any needed assistance. There had been a pre-bid conference where an overview of the request for proposals, the scope of services, eligible activities and eligible budget lines were presented and reviewed. Staff from Elation Systems attended the pre-bid meeting to provide a full instructional and training on how to access the system. Elation Systems has a direct support system which can assist applicants in filling out proposals, as well as Agency staff were available. Programmatic questions were closed at a certain point, but technical questions have been continuously responded to. Astrid Zometa and the Elation staff have done a lot of work with the organizations to ensure that they are able to access the RFP on line and have clear information on how to submit their proposal. Ms. Garcia and Ms. Zometa are working closely with the Review Committee, who also access all proposals on line.

Commissioner Covington stated that it is standard operating procedure to receive the entire listing of all of the respondents' names and their rankings from the panel. She inquired if Ms. Zometa would be the new coordinator for the program.

Ms. Garcia confirmed that Ms. Zometa is the coordinator and primary staff responsible for executing the contracts, monitoring the CBOs and is the interface with the CBOs. Ms. Garcia explained that the caseload ratio was much lighter than typical city staff. Ms. Zometa will have a caseload of five, and therefore will be able to spend more time in the community engaging with the CBOs.



Commissioner Covington reconfirmed that a full time person was definitely needed in order for the program to be successful. She asked that the issues of childcare and transportation be addressed.

Ms. Garcia responded to both of the issues in the broad context of the barrier removal component of the JRI. After conducting meetings and focus groups, what was included in the RFP was a priority list of barriers. Childcare and transportation were consistently repeated. A barrier removal service or mitigation funds will be used to allow CBOs access to resources to help mitigate barriers on an emergency basis. Resources are not available to solve broader childcare issues.

Ms. Garcia stated that another area of focus will be the intensive case management function provided by the CBOs. They want to ensure that the City's resources are available to job seekers and to ensure they are taking advantage of those resources. Part of the primary task of the case managers, will be to ensure that people are accessing benefits within the city. When necessary, we will be able to access the barrier mitigation fund to help address barriers.

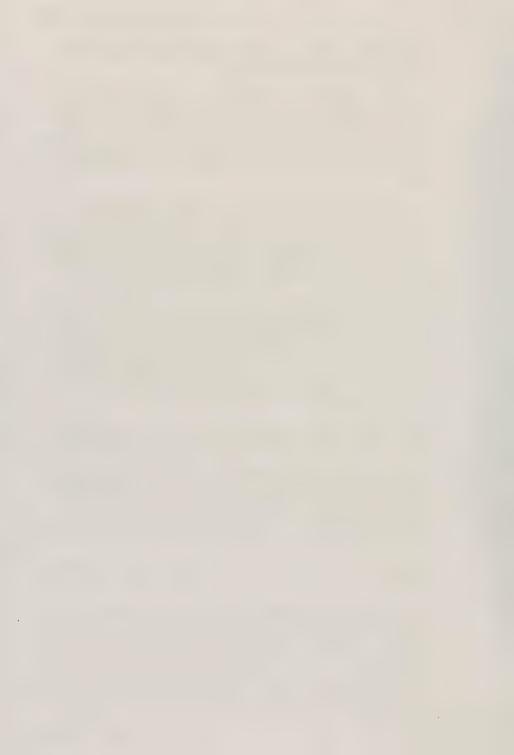
Ms. Garcia stated that childcare is an area that will need assistance from other departments such as HSA and DCYF, in order to address the overall shortage of childcare slots, as well as the resources. Quality of childcare is also a major issue. One of the next steps is to engage with other departments that are tasked with addressing this issue and developing additional childcare slots, improving the home-based childcare community, as well as advancing additional facility based childcare to ensure that JRI, job seekers, and project area residents are able to access those resources.

Commissioner Covington encouraged Ms. Garcia to seek out those resources sooner rather than later. She inquired if fast passes will be available to people.

Ms. Garcia stated that most definitely fast passes would be made available through the barrier mitigation funds to purchase fast passes, or the CBOs would purchase the fast passes on behalf of their clients and distribute them. Also, individuals obtain fast passes through other benefits such as GA, PAYS or CALWORKS. If it is not available through other means, then it will be obtained through the JRI.

Commissioner Covington inquired how this information would be disseminated to the public.

Ms. Garcia stated that the individual CBOs are working on a marketing and outreach plan, based on current activities and current networks within the community. In addition, the Agency is researching ways to market and brand the JRI. Brochures will be provided. Additional media opportunities are being researched to ensure that individuals within the Bayview and Visitacion Valley, as well as the northeast area, are aware of the available resources. There is a plan to have billboards at the MTA stops, as well as on Facebook and Twitter. There will also be post cards for flyering and additional public service announcements through KPOO.



Commissioner Covington stated that she would like to see a comprehensive outreach plan, including a media plan. She stated that we should not rely solely on the written word, as this was a barrier which needed removal, the barrier of literacy. Commissioner Covington, again, stated her pleasure over the program and moved to second the five items being discussed.

Commissioner Swig thanked Ms. Breed and Ms. Covington for their comments. He stated that he agreed with Commissioner Breed's view of accountability of the CBOs, and although he felt strongly about this he would not request that it be put in the resolution. Commissioner Swig agreed with Commissioner Covington's remarks in regard to transportation, childcare and dissemination of information. He felt communication should be through churches and other community organizations. He complimented and thanked everyone for a very complete program.

He also thanked the community for their patience due to the late hour.

(m) ADOPTION: IT WAS MOVED BY MS. BREED, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 151-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH SAN FRANCISCO CONSERVATION CORPS, A CALIFORNIA NONPROFIT CORPORATION, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$292,050, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS: BAYVIEW HUNTERS POINT. HUNTERS POINT SHIPYARD AND VISITATION VALLEY REDEVELOPMENT PROJECT AREAS; RESOLUTION NO. 152-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH GIRLS 2000. A CALIFORNIA NONPROFIT CORPORATION, DBA HUNTERS POINT FAMILY, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$179.970. SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS: BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS: RESOLUTION NO. 153-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH YOUNG COMMUNITY DEVELOPERS, INC., A CALIFORNIA NONPROFIT CORPORATION, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$300,000, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS: BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS; RESOLUTION NO. 154-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH MISSION HIRING HALL, INC., A CALIFORNIA NONPROFIT CORPORATION, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$900,000, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS: MISSION BAY, SOUTH OF MARKET, TRANSBAY, AND YERBA BUENA CENTER REDEVELOPMENT PROJECT AREAS:



RESOLUTION NO. 155-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH GOODWILL INDUSTRIES OF SAN FRANCISCO, SAN MATEO & MARIN COUNTIES, A CALIFORNIA NONPROFIT CORPORATION, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$356,925, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; BAYVIEW HUNTERS POINT, HUNTERS POINT SHIPYARD AND VISITACION VALLEY REDEVELOPMENT PROJECT AREAS., BE ADOPTED.

- 5. MATTERS NOT APPEARING ON AGENDA: None
- 6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS: None.
- 7. REPORT OF THE PRESIDENT: Commissioner Swig welcomed the newest commissioner, Miguel Bustos. Mr. Swig stated that Commissioner Bustos brings a high degree of experience in government and community affairs and the commission is complimented to have such a person of this caliber. He also thanked his fellow commissioners for entrusting him with the presidency and he looked forward to serving. Commissioner Swig congratulated Commissioner Singh on his appointment as Vice President and stated how much he looked forward to working closely with him. Mr. Swig thanked everyone and wished them and the radio audience a Happy Hanukkah, Merry Christmas, and celebration of Kwanzaa, and most importantly, a healthy and successful new year.
- 8. REPORT OF THE EXECUTIVE DIRECTOR: Mr. Blackwell welcomed Commissioner Bustos to the commission.
- 9. **COMMISSIONERS' QUESTIONS AND MATTERS:** None.
- 10. CLOSED SESSION: None.
- 11. ADJOURNMENT:

It was moved by Commissioner Breed, seconded by Commissioner Swig, and unanimously carried that the meeting be adjourned at 9:00 p.m.

Respectfully submitted,

Gia S. Casteel-Brown Acting Agency Secretary

ADOPTED:

March 2, 2010





